

Company number 08738280

## The Companies Act 2006

Private company limited by Shares

## Articles of Association

of

Floris of London Holdings Limited

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03/04/2021

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(Adopted by special resolution passed on .....2021)

## INTERPRETATION AND LIMITATION OF LIABILITY

## 1 Definitions and Interpretation

- 1.1 In these Articles, unless the context otherwise requires the following words and expressions have the following meanings

<b>Acceptance Notice</b>	as defined in Article 41.7
<b>Accepting Shareholder</b>	as defined in Article 41.7
<b>Adjourned Meeting</b>	as defined in Article 11.4
<b>Articles</b>	the Company's articles of association for the time being in force and references to an Article are to the relevant article of the Articles
<b>A Shares</b>	the Shares designated as A ordinary shares
<b>Associate</b>	<p>1 in relation to any body corporate, any holding company or Subsidiary undertaking of such body corporate or any Subsidiary undertaking of a holding company of such body corporate in each case from time to time, and</p> <p>2 in relation to a Shareholder who is an individual any Family Relation or Family Trust of that individual or, any body corporate more than 20% of the equity share capital carrying voting rights of which is owned directly or indirectly by that Shareholder or which is under the control of that Shareholder</p>
<b>Available Profits</b>	profits available for distribution within the meaning of the CA 2006
<b>Bankruptcy</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy

<b>Distribution Recipient</b>	in respect of a Share for which a dividend or other sum is payable <ol style="list-style-type: none"> <li>1 the holder of the Share or, if the Share has two or more joint holders, whichever of them is named first in the Company's register of members, or</li> <li>2 the Transmit-tee of the Share</li> </ol>
<b>Document</b>	any document, including, unless otherwise specified, any document sent or supplied in Electronic Form
<b>Drag Along Documents</b>	any or all of the stock transfer form, indemnity for lost share certificate, sale agreement, form of acceptance and deed of adherence and any other related documents required by the Company and/or the Dragging Shareholders to be executed by Called Shareholders
<b>Drag Along Right</b>	as defined in Article 40.1
<b>Drag Along Notice</b>	as defined in Article 40.2
<b>Drag Completion</b>	the proposed place, date and time of completion of the transfer of the Called Shares as specified in the Drag Along Notice
<b>Drag Offeror</b>	as defined in Article 40.1
<b>Dragging Shareholders</b>	as defined in Article 40.1
<b>D Shares</b>	the Shares designated as D ordinary shares
<b>Electronic Form</b>	as defined in section 1168 CA 2006
<b>Eligible Director</b>	a Director entitled to vote on a matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of that matter)
<b>Encumbrance</b>	any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement
<b>Equity Securities</b>	as defined in section 560(1) CA 2006
<b>E Shares</b>	the Shares designated as E ordinary shares
<b>Excess Sale Shares</b>	as defined in Article 39.6.2

<b>Majority Shareholder Group</b>	those Shareholders who are Associates of each other who together hold more than 50% of the Shares
<b>Model Articles</b>	the model articles for private companies limited by shares contained in schedule 1 of The Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and the regulations set out in Table A of the Companies (Tables A to F) Regulations 1985 (SI 1985/805), as amended by the Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and the Companies (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826))
<b>Notice Date</b>	in the case of <ol style="list-style-type: none"> <li>1 a transfer to be made pursuant to Article 39 (<i>Pre-emption on transfer</i>), the date on which a Transfer Notice is given in accordance with Article 39.1, and</li> <li>2 a transfer to be made pursuant to Article 42 (<i>Compulsory transfers - general</i>), the date on which a Transfer Notice is deemed to have been given pursuant to Article 42</li> </ol>
<b>Option Shareholder</b>	as defined in Article 40.9
<b>Ordinary Resolution</b>	as defined in section 282 CA 2006
<b>Ordinary Shares</b>	the Shares designated as ordinary shares
<b>Paid</b>	paid or credited as paid
<b>Participate</b>	in relation to a Directors' meeting, has the meaning given in Article 10
<b>Partly Paid</b>	in relation to a Share, where part of that Share's nominal value or any premium at which it was issued has not been Paid to the Company
<b>Permitted Transfer</b>	a transfer of Shares permitted by Article 37
<b>Permitted Transferee</b>	a person who holds Shares as a result of a Permitted Transfer
<b>Persons Entitled</b>	as defined in Article 55.1.2
<b>Preference Share</b>	the Shares designed as preference shares
<b>Prescribed Period</b>	the period commencing on

<b>Sale</b>	the sale of the whole of the issued equity share capital of the Company to a single buyer or to one or more buyers as part of a single transaction
<b>Sale Shares</b>	as defined in Article 39.1.1
<b>Shareholder</b>	a person whose name is entered in the register of members of the Company as the holder of a Share
<b>Shares</b>	(unless the context otherwise requires) shares in the capital of the Company (of whatever class)
<b>Special Resolution</b>	as defined in section 283 CA 2006
<b>Subscription Price</b>	the amount Paid up or credited as Paid up on a Share, including the full amount of any premium at which that Share was issued (whether or not that premium is subsequently applied for any purpose)
<b>Subsidiary</b>	as defined in section 1159 CA 2006
<b>Tag Along Documents</b>	any or all of the stock transfer form, indemnity for lost share certificate, sale agreement, form of acceptance and deed of adherence and any other documentation required by the Tag Offeror to be executed by the Tag Shareholders
<b>Tag Completion</b>	the proposed place, date and time of completion of the transfer of the Tag Shares as specified in the Tag Notice
<b>Tax Expiry Date</b>	as defined in Article 41.3.1
<b>Tag Notice</b>	as defined in Article 41.4
<b>Tag Offer</b>	as defined in Article 41.1.1
<b>Tag Offeror</b>	as defined in Article 41.1
<b>Tag Price</b>	as defined in Article 41.3.2
<b>Tag Seller</b>	as defined in Article 41.1
<b>Tag Shares</b>	as defined in Article 41.1.1
<b>Total Transfer Condition</b>	a condition that unless all of the Sale Shares are transferred none of them will be transferred
<b>Transfer Notice</b>	as defined in Article 39.1
<b>Transmittee</b>	a person or persons entitled to a Share by reason of the death or Bankruptcy of a Shareholder or otherwise by operation of law

## **2 Liability of Members**

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them

## **DIRECTORS**

### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **3 Directors' general authority**

Subject to these Articles, the Directors are responsible for the management of the Company's business and for that purpose they may exercise all the powers of the Company

#### **4 Shareholders' reserve power**

- 4.1 The Shareholders may, by Special Resolution, instruct the Directors to take, or refrain from taking, any specified action
- 4.2 No such Special Resolution invalidates anything done by the Directors before the passing of the resolution

#### **5 Directors may delegate**

- 5.1 Subject to any restrictions in these Articles, the Directors may delegate, as they think fit, any of the powers which are conferred on them under these Articles
    - 5.1.1 to any person or committee,
    - 5.1.2 by any means (including by power of attorney),
    - 5.1.3 in relation to any matters or territories,
    - 5.1.4 to such an extent, and
    - 5.1.5 on such terms and conditions as the Directors determine
  - 5.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated
  - 5.3 The Directors may at any time revoke any delegation in whole or part, or alter its terms and conditions
- #### **6 Committees**
- 6.1 Committees to which the Directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of these Articles which govern the taking of decisions by Directors
  - 6.2 So as to avoid any inconsistency the Directors may make procedural rules for committees which prevail over rules derived from these Articles

10.1.2 they can each communicate to the other Directors any information or opinions they have on any particular item of the business of the meeting

10.2 In determining whether Directors participate in a Directors' meeting, it is irrelevant where any Director is or how the Directors communicate with each other

10.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

## **11 Quorum for Directors' meetings and adjournment**

11.1 Subject to Article 11.5, at a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

11.2 Subject to Article 11.3, the quorum for the transaction of business at a Directors' meeting is any two Eligible Directors, one of whom must be a Majority Shareholder Director, except when the Company has one Director in which case the quorum is one Eligible Director

11.3 For the purposes of any meeting (or part of a meeting) held pursuant to Article 15 to authorise a Conflict, if there are insufficient Eligible Directors in office besides the conflicted Director(s), the quorum for such meeting (or part of a meeting) will be one Eligible Director who must be a Majority Shareholder Director

11.4 Notwithstanding Articles 11.1 and 11.3, if the persons attending a Directors' meeting (**Initial Meeting**) within one hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the meeting shall stand adjourned to the third Business Day (or such shorter period as all the Directors may agree) following such non-quorate meeting, to be held at the same time and place or to such time and place as determined by the Directors (including a Majority Shareholder Director) (such adjourned meeting being referred to herein as, the **Adjourned Meeting**). The only business that may validly be transacted at an Adjourned Meeting is business which would properly have been transacted at the Initial Meeting. Such business may be transacted at an Adjourned Meeting whether or not a quorum for directors' meetings as specified in Article 11.2 is present and the Directors present at the Adjourned Meeting shall, notwithstanding Article 11.2, constitute a quorum at the adjourned meeting

11.5 If the total number of Eligible Directors is less than the quorum required, the Directors must not take any decision except for the purposes of

11.5.1 appointing further Directors, or

11.5.2 calling a general meeting or circulating a resolution in Writing to the Shareholders, so as to enable the Shareholders to appoint further Directors

## **12 Chairing of Directors' meetings**

12.1 The Directors may appoint a Director to chair their meetings (**Board Chairman**). At the time of the adoption of these Articles the Board Chairman is John Bodenham

12.2 The Directors may terminate the Board Chairman's appointment at any time.

- 14.4 If any question as to the right to participate in the meeting (or part of the meeting) should and in respect of the chairman (appointed pursuant to Article 12) the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes

## **15 Directors' conflicts of interest**

- 15.1 The Directors may, as provided in this Article 15, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 CA 2006 to avoid conflicts of interest (Conflict)

- 15.2 Any authorisation of a Conflict will be effective only if

15.2.1 the matter in question is proposed by any Director for consideration at a meeting of the Directors in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

15.2.2 any requirement as to quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and

15.2.3 the matter is agreed to without the Director in question voting or would be agreed to if his vote is not counted

- 15.3 Any authorisation of a Conflict may (whether at the time of giving the authorisation or subsequently)

15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

15.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors determine, and

15.3.3 be terminated or varied by the Directors at any time

- 15.4 Anything done by the Director in question in accordance with the terms of the authorisation will not be affected by its subsequent termination or variation

- 15.5 In authorising a Conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation, if it would amount to a breach of that confidence, to

15.5.1 disclose such information to the Directors or to any Director or other officer or employee of the Company, or

15.5.2 use or apply any such information in performing his duties as a Director

## **19 Methods of appointing Directors**

- 19.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director
- 19.1.1 by Ordinary Resolution, or
- 19.1.2 by a decision of the Directors
- 19.2 The Majority Shareholder may appoint up to three people as Directors and may remove any person so appointed and appoint another person in his place (Majority Shareholder Director) On any Shareholder resolution to remove any person appointed as a Director in accordance with this Article 19 2, the Majority Shareholder and his Associates will have 1,000 votes for each Share they hold
- 19.3 Where, as a result of death or Bankruptcy, the Company has no Shareholders and no Directors, the Transmittee of the last Shareholder to die or to have a Bankruptcy order made against him (as the case may be) may, by notice in Writing, appoint a natural person (including a Transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director
- 19.4 For the purposes of Article 19.3, where two or more Shareholders die in circumstances where it is uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder

## **20 Termination of Director's appointment**

A person ceases to be a Director immediately if

- 20.1 that person ceases to be a Director by virtue of any provision of CA 2006 or is prohibited by any other law from being a Director,
- 20.2 a Bankruptcy order is made against that person,
- 20.3 a composition is made with that person's creditors generally in satisfaction of his debts,
- 20.4 a registered medical practitioner who is treating that person gives an opinion in Writing to the Company stating that that person has become physically or mentally incapable of acting as a Director and is likely to remain so for more than three months,
- 20.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which he would otherwise have, or
- 20.6 notification is received by the Company from that person that he is resigning from office as a Director and such resignation has taken effect in accordance with its terms

## **21 Directors' remuneration**

- 21.1 A Director may undertake such services for the Company as the Directors decide



- 23.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

## **24 Rights and responsibilities of alternate Directors**

- 24.1 An alternate Director may act in that capacity to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor
- 24.2 Except as the Articles specify otherwise, alternate Directors
  - 24.2.1 are entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which their respective appointor is a member,
  - 24.2.2 are deemed for all purposes to be Directors,
  - 24.2.3 are liable for their own acts and omissions,
  - 24.2.4 are subject to the same restrictions as their appointors, and
  - 24.2.5 are not deemed to be agents of or for their appointors
- 24.3 A person who is an alternate Director but not a Director
  - 24.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),
  - 24.3.2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate), and
  - 24.3.3 will not be counted as more than one Director for the purposes of Articles 24.3.1 and 24.3.2
- 24.4 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor in addition to his own vote on any decision of the Directors (if his appointor is an Eligible Director in relation to that decision), but will not count as more than one Director for the purposes of determining whether a quorum is present
- 24.5 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except for any such part of his appointor's remuneration as the appointor may direct by notice in Writing to the Company

## **25 Termination of alternate Directorship**

An appointment as an alternate Director terminates

- 25.1 when the alternate Director's appointor revokes the appointment by notice to the Company in Writing specifying when it is to terminate,
- 25.2 on the occurrence, in relation to the alternate Director, of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's appointment as a Director,

- 28.3 The offer must be in writing and remain open for acceptance for a period of 15 Business Days from the date of the offer (unless all Shareholders entitled to be offered the relevant Equity Securities decline or waive the offer in writing prior to the expiry of a period of 15 Business Days in which case such Equity Securities may be allotted to any person) and must give details of the number and subscription price of the relevant Equity Securities
- 28.4 Any Equity Securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 28.3 will be offered to the Majority Shareholder who may accept the offer in relation to any number of those Equity Securities not taken up by the Shareholders in accordance with Articles 28.2 and 28.3. After that allotment, any excess Equity Securities may be offered to any other person as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders
- 28.5 Subject to Articles 28.2 to 28.4 and to section 551 CA 2006, any Equity Securities will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to any persons at such times and, generally, on the terms and conditions they think proper.
- 28.6 No Shares may be allotted to any employee, Director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003

## **29 Company's Lien over shares**

- 29.1 The Company has a lien (Company's Lien) over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company and whether payable immediately or in the future
- 29.2 The Company's Lien over a Share
- 29.2.1 takes priority over any third party's interest in that Share, and
- 29.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share
- 29.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien will not be subject to it, either wholly or in part
- 29.4 Subject to the provisions of Article 29, the Company may sell that Share in such manner as the Directors decide if
- 29.4.1 a Lien Enforcement Notice has been given in respect of that Share, and
- 29.4.2 the person to whom the Lien Enforcement Notice was given has failed to comply with it
- 29.5 A Lien Enforcement Notice

specified sum of money (**Call**) which is payable to the Company at the date when the Directors decide to send the Call Notice

30.2 A Call Notice

30.2.1 may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,

30.2.2 must state when and how any Call to which it relates is to be paid, and

30.2.3 may permit or require the Call to be made in instalments

30.3 No Shareholder is obliged to pay any Call before 14 Clear Days have passed since the notice was sent

30.4 Before the Company has received any Call due under a Call Notice the Directors may by a further notice in writing to the Shareholder in respect of whose Shares the Call is made

30.4.1 revoke the Call wholly or in part, or

30.4.2 specify a later time for payment than is specified in the Call Notice

30.5 The liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid

30.6 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share

30.7 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them

30.7.1 to pay Calls which are not the same, or

30.7.2 to pay Calls at different times

30.8 A Call Notice need not be issued in respect of a Share for sums which are specified, in the terms on which that Share is issued, as being payable to the Company.

30.8.1 on allotment,

30.8.2 on the occurrence of a particular event, or

30.8.3 on a date fixed by or in accordance with the terms of issue

30.9 If the due date for payment of a sum specified in Article 30 8 has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture

30.10 If a person is liable to pay a Call and fails to do so by the Call Payment Date

30.10.1 the Directors may issue a notice of intended forfeiture to that person, and

- 30.16.4 that person remains liable for all sums payable to the Company under these Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture), and
- 30.16.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal
- 30.17 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls due in respect of it and on such other terms as they think fit
- 30.18 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the Directors may authorise any person to execute the instrument of transfer
- 30.19 A statutory declaration by a Director or the Company secretary that the declarant is a Director or the Company secretary and that a Share has been forfeited on a specified date
- 30.19.1 is conclusive evidence of the facts stated in the statutory declaration as against all persons claiming to be entitled to the Share, and
- 30.19.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the Share
- 30.20 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in, or invalidity, of the process leading to the forfeiture or transfer of the Share
- 30.21 If the Company sells a forfeited Share, the person who held it prior to its forfeiture will receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which was, or would have become, payable, but had not, when that Share was forfeited, been paid by that person in respect of that Share
- 30.22 No interest is payable to a person who held a Share prior to its forfeiture in respect of any sale proceeds as referred to in Article 30.21 and the Company is not required to account for any money earned on the sale proceeds

### **31 Surrender of Shares**

- 31.1 A Shareholder may surrender any Share
- 31.1.1 in respect of which the Directors may issue a notice of intended forfeiture,
- 31.1.2 which the Directors may forfeit, or
- 31.1.3 which has been forfeited
- 31.2 The Directors may accept the surrender of any such Share
- 31.3 The effect of surrender on a Share is the same as the effect of forfeiture on it

- 35.2 A Shareholder exercising the right to be issued with a replacement certificate
- 35.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates,
- 35.2.2 must return the certificate which is to be replaced to the Company, if it is damaged or defaced, and
- 35.2.3 must comply with such conditions as to evidence and indemnity and the payment of a reasonable fee as the Directors decide

**36 General restrictions and information relating to transfers**

- 36.1 No person will transfer any Shares except for in accordance with these Articles
- 36.2 To enable the Directors to determine whether or not there has been a transfer of Shares which is not in compliance with these Articles the Directors may (and will if requested in Writing by the Majority Shareholder) require any Shareholder, any successor in title to any Shareholder, any transferee pursuant to any transfer or any other person who the Directors believe to have relevant information, to furnish to the Company such information and evidence as the Directors consider relevant to determining whether there has been a transfer which is not in compliance with these Articles If such information or evidence is not furnished to the satisfaction of the Directors, or if as a result of the information and evidence the directors consider that a breach has occurred, the directors may notify the Shareholder of the relevant Shares in Writing of that fact and
- 36.2.1 all such Shares will cease to confer on the Shareholder (or its proxy) any rights
- 36.2.1.1 to vote or agree to a written resolution, or
- 36.2.1.2 to receive dividends or other distributions or payments (other than the Subscription Price of the relevant Shares on a return of capital), and
- 36.2.2 the Shareholder may be required at any time following the notice to issue a Transfer Notice in respect of all or some of its Shares to such person(s) at such price and on such terms as the Directors may require by notice in Writing to the Shareholder
- 36.3 The rights referred to in Article 36.2.1 may be reinstated by the Directors with the consent of the Majority Shareholder or, if earlier, on the completion of any transfer referred to in Article 36.2.2
- 36.4 If the Directors in accordance with these Articles require a Transfer Notice to be given and it is not given within a period of one month (or such longer period as the Directors may allow for the purpose), the Transfer Notice will be deemed to have been given on any date after the expiration of that period as the Directors may notify to the Shareholder and these Articles will take effect accordingly
- 36.5 Subject to the Articles, Shares may be transferred by means of an Instrument of transfer in any usual form or any other form approved by the Directors, which is executed by or on behalf of.

37.6 to any person in acceptance of a Tag Offer required to be made pursuant to Article 41

**38 Majority Shareholder transfer**

The Majority Shareholder may at any time transfer the legal or beneficial interest in a Share without being subject to the restrictions set out in Article 39 (*Pre-emption on transfer*)

**39 Pre-emption on transfer**

39.1 A Proposing Transferor will be required before effecting, or purporting to effect, a transfer of Shares, to give a written notice (**Transfer Notice**) to the Company. The Transfer Notice will state

39.1.1 the number and class (if relevant) of the Shares which he intends to transfer (Sale Shares),

39.1.2 the identity of the person (if known) to whom he wants to transfer the Sale Shares, together with the price at which such person has agreed to purchase such Sale Shares (if the price has been agreed) or if no price has been agreed the price at which the Proposing Transferor is prepared to sell the Sale Shares,

39.1.3 whether or not the Transfer Notice is subject to a Total Transfer Condition (in the absence of any such stipulation it will be deemed not to be subject to such a condition), and

39.1.4 any other details of the proposed transfer as the Directors may in their absolute discretion determine

39.2 The Transfer Notice once given may not be amended or withdrawn without the consent of the Directors

39.3 Notwithstanding the other provisions of this Article 39, if the Transfer Notice contains a Total Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for all of the Sale Shares specified in the Transfer Notice

39.4 The Transfer Notice will constitute the Company as the Proposing Transferor's agent for the sale of the legal title to, and entire beneficial interest in, the Sale Shares and all rights attached to the Sale Shares at the Prescribed Price during the Prescribed Period, to any Shareholder on the basis set out in the following provisions of these Articles

39.5 All Sale Shares will by Written notice be offered by the Company promptly following the commencement of the Prescribed Period to each Shareholder, other than an Excluded Person, for purchase at the Prescribed Price on an equal and pro rata basis to their existing holding of the Shares (as nearly as may be without involving fractions) (his Proportionate Entitlement)

39.6 Each such offer

39.6.1 will stipulate a period of time being not less than seven nor more than 21 days during which it must be accepted in Writing or in default will lapse, and

Shareholders or other persons willing to purchase some or all of the Sale Shares (**Unsold Sale Shares**) the Proposing Transferor will at any time during a period of 30 days commencing on the day after the end of the Prescribed Period be entitled to transfer the Unsold Sale Shares to any person by a bona fide sale at a price which is not less than the Prescribed Price (after deducting, where appropriate, any dividend or other distribution declared or made after the date of the Transfer Notice and to be retained by the Proposing Transferor) Any such sale is to be conditional on

39.11.1 compliance with the provisions of Article 41 (*Tag along*),

39.11.2 if a Transfer Notice which is subject to a Total Transfer Condition was given, all the Unsold Sale Shares being included in the sale, and

39.11.3 the Directors being satisfied that the Unsold Sale Shares are being transferred under this Article pursuant to a sale in good faith for the consideration stated in the Transfer Notice without any deduction, rebate or allowance to the person offering to buy them

39.12 If any of the conditions set out in Articles 39.11.1 to 39.11.3 are not fulfilled the Directors may refuse to register the Instrument of transfer or impose further conditions to be fulfilled by the Proposing Transferor before doing so

39.13 The provisions of this Article 39 may be set aside with the consent of the Majority Shareholder

#### **40 Drag along**

40.1 If Shareholders holding more than 50% of the Shares (**Investor Majority**) wish to sell the Shares held by them to a New Shareholder and any of its Connected Persons (together the **Drag Offeror**) who has made a bona fide offer on arm's length terms for all of the issued Shares, those Shareholders that constitute such Investor Majority (**Dragging Shareholders**) will have the right (**Drag Along Right**) to require all of the other Shareholders (**Called Shareholders**) to sell and transfer all their Shares (Called Shares) to the Drag Offeror, or as the Drag Offeror may direct, free from all Encumbrances and together with all rights then attaching to them

40.2 The Drag Along Right will be exercisable by the Dragging Shareholders giving written notice of their intention to exercise the Drag Along Right to the Company prior to the transfer of the Dragging Shareholders' Shares to the Drag Offeror (**Drag Along Notice**). The Drag Along Notice will specify

40.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article;

40.2.2 any terms of sale to which Called Shareholders are required to adhere and will enclose copies of the Drag Along Documents (if any) relating to it,

40.2.3 the identity of the Drag Offeror,

40.2.4 the proposed price to be paid by the Drag Offeror for each class of the Called Shares, and

- 40.6.3 the Drag Offeror will be entitled to determine in its absolute discretion that certain Shareholders are to receive a Rollover Alternative, provided that a full cash alternative is offered to those Shareholders that are not so selected at a once which is no less than the net present value of the Rollover Alternative
- 40.7 Drag Completion will take place on the same date as the date proposed for completion of the sale of the Dragging Shareholders' Shares unless the Dragging Shareholders elect otherwise in which case Drag Completion will take place on a date to be specified by the Dragging Shareholders that is no more than 20 Business Days later
- 40.8 On or before Drag Completion, each Called Shareholder will deliver duly executed Drag Along Documents in respect of his Called Shares to the Company Subject always to receipt of the Drag Along Documents, on Drag Completion the Company will pay each Called Shareholder, on behalf of the Drag Offeror, the Called Shares Price due, to the extent only that the Drag Offeror has put the Company in the requisite cleared funds or other form of consideration Payment to the Called Shareholder will be made to its address on the Company's register of Shareholders. The Company's receipt for the Called Shares Price due will be a good discharge to the relevant Drag Offeror who will not be bound to see its application Pending compliance by the Called Shareholder with the obligations in this Article 40, the Company will hold any funds or other form of consideration received from the Drag Offeror in respect of the Called Shares on trust for the defaulting Called Shareholder, without any obligation to pay interest
- 40.9 If, following the issue of a Drag Along Notice, either (a) a person becomes a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire Shares or the exercise of another right or option or otherwise, or (b) additional Shares are issued to an existing Shareholder pursuant to the exercise of a pre-existing option to acquire Shares or the exercise of another right or option or otherwise (each an Option Shareholder), in each case, a Drag Along Notice will be deemed to have been served on the Option Shareholder on the date he acquired such Shares and on the same terms as the previous Drag Along Notice. The Option Shareholder will be bound to sell and transfer all the Shares so acquired by him to the Drag Offeror, or as the Drag Offeror may direct, and the provisions of this Article 40 will apply (with changes where appropriate) to the Option Shareholder as if references to Called Shareholder included the Option Shareholder except that completion of the sale of the Shares will take place on such date as the Drag Offeror will determine
- 40.10 If any Called Shareholder does not transfer the Called Shares registered in his name and execute all of the Drag Along Documents (if any), the defaulting Called Shareholder will be deemed to have irrevocably appointed any person nominated for the purpose by the Dragging Shareholders to be his agent to execute, complete and deliver a transfer of those Called Shares in favour of the Drag Offeror, or as he may direct, against receipt by the Company of the consideration due for the relevant Called Shares. The Company's receipt of the consideration will be a good discharge to the Drag Offeror, who will not be bound to see its application. The Company will hold the consideration on trust for the relevant Called Shareholder(s) without any obligation to pay interest Subject to stamping, the Directors will without delay register the transfer(s), after which the validity of such transfer(s) and/or the validity of the proceedings pursuant to this Article 40.10 will not be questioned by any person



- 41.3.1 it will be open for acceptance for not less than seven calendar days from the date of the Tag Notice (the end of such period being the **Tag Expiry Date**), and will be deemed to have been rejected if not accepted in accordance with the terms of the offer and within the period during which it is open for acceptance,
  - 41.3.2 subject to Article 75.2, the form of consideration and value of such consideration for each class of Share will be the same as that offered for each corresponding class of Share being transferred by the Tag Seller to the Tag Offeror (**Tag Price**), and
  - 41.3.3 Shareholders that accept the Tag Offer will be required to adhere to the Tag Along Documents provided that their terms are not more onerous than those offered to the Tag Seller
- 41.4 If a Tag Offeror is required to make a Tag Offer, the Tag Offeror will give written notice of the same to the Company prior to the transfer by the Tag Seller of the Shares held by the Tag Seller so that any offer period set out in Article 41.3.1 expires on or before the date on which the Tag Seller completes the sale of the relevant Shares (**Tag Notice**)
- 41.5 The Tag Notice will specify
- 41.5.1 the number of Tag Shares that the Shareholders are entitled to transfer to the Tag Offeror,
  - 41.5.2 the terms of sale to which Shareholders are required to adhere and enclose copies of the Tag Along Documents (if any) relating to the sale,
  - 41.5.3 the identity of the Tag Offeror,
  - 41.5.4 the Tag Price for each class of the Tag Shares, and
  - 41.5.5 the proposed place, date and time of Tag Completion
- 41.6 The Company will promptly send copies of the Tag Notice and Tag Along Documents (if any) to each Shareholder at their address shown on the Company's register of shareholders
- 41.7 Any Shareholder who wishes to accept the Tag Offer (**Accepting Shareholder**) must serve an irrevocable and unconditional written notice on the Company (**Acceptance Notice**) before the Tag Expiry Date
- 41.8 The Acceptance Notice will make the Company the agent of the Accepting Shareholder(s) for the sale of the Tag Shares on the terms of the Tag Offer, together with all rights attached and free from Encumbrances
- 41.9 Within three calendar days after the Tag Expiry Date the Company will notify the Tag Offeror of the names and addresses of the Accepting Shareholders who have accepted the Tag Offer
- 41.10 On or before Tag Completion, each Accepting Shareholder will deliver duly executed Tag Along Documents (if any) in respect of his Tag Shares to the Company Subject always to receipt of the Tag Along Documents, on Tag Completion the Company will pay each Accepting Shareholder, on behalf of the Tag Offeror, the Tag Price due, to the extent only that

42.2.2 to show to the satisfaction of the Directors that a Permitted Transfer will be effected before or promptly on the completion of the administration of the estate of the deceased Shareholder.

If either of these requirements are not fulfilled when required, a Transfer Notice will be deemed to have been given in respect of the Share at a time determined by the Directors, except to the extent that the Directors determine otherwise

*Ceasing to be a Family Relation or Family Trust*

42.3 If a Permitted Transferee who has received Shares pursuant to Article 37 ceases to qualify as a Family Relation or Family Trust, that person will promptly notify the Directors in Writing and be bound, if and when required in Writing by the Majority Shareholder, to transfer all of the Shares that he holds to the Permitted Transferor or, at the Permitted Transferor's election, to a Family Relation or a Family Trust of the Permitted Transferor. If this requirement is not fulfilled when required, a Transfer Notice will be deemed to have been given to the Permitted Transferor in respect of the Shares concerned

*On liquidation of a Shareholder*

42.4 If a Shareholder which is a company suffers or resolves for the appointment of a liquidator, administrator or administrative receiver over it or any material part of its assets, that Shareholder will be deemed to have given a Transfer Notice in respect of all of the Shares held by that Shareholder at a time determined by the Directors, except to the extent that the Directors determine otherwise

**43 Transmission of Shares**

43.1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share

43.2 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require may, subject to the Articles

43.2.1 choose either to be registered as the holder of those Shares or to have them transferred to another person, and

43.2.2 pending any transfer of the Shares to another person, has the same rights as the holder from whom title passed had in respect of them

43.3 Subject to Article 19.3, a Transmitttee does not have the right to attend or vote at a general meeting, or agree to a proposed written resolution unless he is registered the holder of those Shares

**44 Exercise of Transmitttees' rights**

44.1 Transmitttees who wish to be registered as the holders of Shares to which they have become entitled must so notify the Company in Writing

- 47.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount and must not exceed the amount of any such recommendation
- 47.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights
- 47.4 The Company or (in the case of an interim dividend) the Directors may declare and pay dividends in different amounts in respect of the Ordinary Shares, the A Shares, the B Shares, the C Shares, the D Shares, the E Shares, the F Shares and the Preference Shares, or declare and pay dividends in respect of one or more class(es) of Share to the exclusion of the other class(es).
- 47.5 A dividend must be paid by reference to each Shareholder's holding of the class of Shares in respect of which the dividend is paid on the date of the resolution or decision to declare or pay it unless the Shareholders' resolution, Directors' decision, or the terms on which Shares are issued, specifies otherwise
- 47.6 If the Company's Share capital is divided into different classes, no interim dividend may be paid on Shares with deferred or non-preferred rights while any preferential dividend is in arrear
- 47.7 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- 47.8 The Directors, acting in good faith, have no liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights

#### **48 Calculation of dividends**

- 48.1 Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be
  - 48.1.1 declared and paid according to the amounts Paid up on the Shares on which the dividend is paid, and
  - 48.1.2 apportioned and paid proportionately to the amounts Paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid
- 48.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that share ranks for dividend accordingly
- 48.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been Paid up on a Share in advance of the due date for payment of that amount

#### **49 Payment of dividends and other distributions**

Where a dividend or other distribution is payable in respect of a Share, it must be paid by one or more of the following means

- 49.1 transfer to a bank or building society account specified by the Distribution Recipient in Writing,

### **53 Non cash distributions**

- 53.1 Subject to the terms of issue of any Share the Company may, by Ordinary Resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of it by transferring non cash assets of equivalent value (including, without limitation, shares or other securities in any company)
- 53.2 For the purposes of paying a non cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution
  - 53.2.1 fixing the value of any assets,
  - 53.2.2 paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients, and
  - 53.2.3 vesting any assets in trustees

### **54 Waiver of distributions**

- 54.1 Subject to Article 54.2, Distribution Recipients may waive their entitlement to a dividend or other distribution payable in respect of a Share by giving the Company notice in Writing to that effect
- 54.2 A notice of waiver of entitlement to a dividend or other distribution payable in respect of a Share is not effective unless it is expressed to be given, and signed, by all the Shareholders or persons otherwise entitled to the Share

## **CAPITALISATION OF PROFITS**

### **55 Authority to capitalise and appropriation of Capitalised Sums**

- 55.1 Subject to these Articles, the Directors may, if authorised by an Ordinary Resolution
  - 55.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
  - 55.1.2 appropriate any sum which they so decide to capitalise (**Capitalised Sum**) to the holders (**Persons Entitled**) of such class(es) of Shares as they determine (**Relevant Shares**)
- 55.2 Capitalised sums must be applied
  - 55.2.1 on behalf of the Persons Entitled, and
  - 55.2.2 in the same proportions as the respective holdings of Relevant Shares of the Persons Entitled bear to each other (as if they constituted one class of Share and with any fractional entitlements allocated in such manner as the Directors may determine)

any matter then, unless such right is exercised in the same way, the Company will accept the exercise of the right it receives first.

**56.4** A notice of nomination given under Article 56.2 may

56.4.1 specify which rights, in relation to which Shares, of that Shareholder are to be enjoyed, or may be exercised, by the relevant nominee(s) (and any limitations on such enjoyment or exercise) In the absence of such a provision, the notice will be deemed to grant the nominee the right to exercise all of the relevant Shareholders rights as a Shareholder, to the fullest extent, subject only to the provisions of CA 2006 In the absence of any limitation on any nominee's rights pursuant to a nomination under this Article 56 4, the Company will accept any instruction or exercise of a right which is first received if an instruction or exercise is made by more than one nominee in respect of the same right, and

56.4.2 specify when the nomination is to cease to have effect

**56.5** Revocation of a nomination previously made under Article 56.1 must be given by notice in writing addressed to the Company and will take effect upon receipt (or deemed receipt) of such notice by the Company

**56.6** At all times from receipt (or deemed receipt) by the Company of a notice of nomination, until receipt (or deemed receipt) of a valid notice of revocation of such a nomination, the nominee appointed by a Shareholder will enjoy and exercise the rights of that Shareholder, to the extent, if any, specified in such notice of nomination, to the exclusion, to that extent, of that Shareholder's rights. The revocation of a nomination in accordance with Article 56.5 will not invalidate anything done (or omitted to be done) by the relevant nominee at any time prior to the date such revocation takes effect in accordance with Article 56.5

**56.7** For the purposes of these Articles but subject to the provisions of CA 2006, references to any matter to be done by, or in relation to, a "Shareholder" or "Shareholders" will be deemed to include reference to any person for the time being nominated in accordance with Article 56 (and such references will, until such nomination is revoked in accordance with Article 56.5, exclude the Shareholder who made the nomination)

## **ORGANISATION OF GENERAL MEETINGS**

### **57 Attendance and speaking at general meetings**

**57.1** A person may exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting

**57.2** A person may exercise the right to vote at a general meeting when

57.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and

- 61.2.2 it appears to the GM Chairman that an adjournment is necessary to protect the safety of any person attending the general meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 61.3 The GM Chairman must adjourn a general meeting if directed to do so by the meeting
- 61.4 When adjourning a general meeting, the GM Chairman must
  - 61.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors, and
  - 61.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 61.5 If an adjourned general meeting is to be reconvened on a date more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it
  - 61.5.1 to all persons to whom notice of the Company's general meetings is required to be given, and
  - 61.5.2 containing the same information which such a notice is required to contain
- 61.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

## **VOTING AT GENERAL MEETINGS**

### **62 Voting: general**

A resolution put to the vote of a general meeting is decided on a show of hands unless a poll is duly demanded in accordance with these Articles

### **63 Errors and disputes**

- 63.1 No objection may be raised as to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- 63.2 Any such objection must be referred to the GM Chairman, whose decision is final

### **64 Poll votes**

- 64.1 A poll on a resolution may be demanded
  - 64.1.1 in advance of the general meeting where it is to be put to the vote, or
  - 64.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared
- 64.2 A poll may be demanded at any general meeting by any Qualifying Person present and entitled to vote at the meeting

- 66.2 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom or on whose behalf the Proxy Notice was given
- 66.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- 66.4 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

## **67 Amendments to resolutions**

- 67.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if
  - 67.1.1 notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed, not less than 48 hours before the meeting is to take place (or such later time as the GM Chairman may determine), and
  - 67.1.2 the proposed amendment does not, in the reasonable opinion of the GM Chairman, materially alter the scope of the resolution
- 67.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution, if
  - 67.2.1 the GM Chairman proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 67.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 67.3 If the GM Chairman, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the GM Chairman's error does not invalidate the vote on that resolution

## **68 No voting of Shares on which money is owed to the Company**

No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been paid

## **ADMINISTRATIVE ARRANGEMENTS**

### **69 Means of communication to be used**

- 69.1 to be sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which CA 2006 provides for Documents or information which are authorised or required by any of its provisions to be sent or supplied by or to the Company

70.4.2 any person authorised by the Directors for the purpose of signing Documents to which the common seal is applied.

## **71 No right to inspect accounts and other records**

Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person may inspect any of the Company's accounting or other records or Documents merely by virtue of being a Shareholder.

## **72 Provision for employees on cessation of business**

The Directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its Subsidiaries (other than a Director or former Director or shadow Director) in connection with the cessation or transfer of the whole or part of the undertaking of the Company or that Subsidiary.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### **73 Indemnity**

73.1 Subject to Article 73.3, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled, each Relevant Officer may be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities (including any liability incurred in defending any civil or criminal proceedings in which judgment is given in his favour or in which he is acquitted, or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part, or in connection with any application in which the court grants him relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs) incurred by him as a Relevant Officer

73.1.1 in the actual or purported execution or discharge of his duties, or in relation to them, and

73.1.2 in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) CA 2006)

73.2 The Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 73.1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure

73.3 Article 73 does not authorise any indemnity which would be prohibited or rendered void by any provision of CA 2006 or by any other provision of law

73.4 For the purpose of Article 73 companies are associated if one is a Subsidiary of the other or both are Subsidiaries of the same body corporate



- 76.4 As soon as practicable after a redemption of Preference Shares (and, in any event, within 10 Business Days thereafter), the Company shall cancel the certificate(s) delivered to it upon redemption and, if any certificate delivered to the Company for cancellation includes any Preference Shares not being redeemed, issue a new certificate(s) to the relevant holder(s) for those Preference Shares.