

Dated 7th september 2023

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

ANIMUS ASSOCIATES LTD



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Company number: 08856832
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ANIMUS ASSOCIATES LTD (the "Company")
(Adopted by special resolution passed on.....⁷ September 2023)

INTRODUCTION

1. Interpretation

1.1 The following definitions and rules of interpretation shall apply in these Articles:

Act: the Companies Act 2006.

Articles: the Company's articles of association for the time being in force.

bankruptcy: includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy.

Business Day: a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Director: means a director of the Company, and includes any person occupying the position of director, by whatever name called.

Eligible Director: a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

electronic form: has the meaning given in section 548 of the Companies Act 2006

Group: the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from time to time of a holding company and member of the Group shall mean any of them.

holder: in relation to shares means the person whose name is entered in the register of members as the holder of the shares.

Model Articles: 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 reference to a numbered **Model Article** is a reference to that article of the Model Articles.

Purchase Price: means the purchase price under the Share Purchase Agreement.

Share Purchase Agreement: means the agreement entered into on the date of adoption of these articles under which the Trustee, as trustee of the Trust, purchased the entire issued share capital of the Company.

Shareholder: means a person who is the holder of a share.

Subsidiary: has the meaning given in section 1159 of the Companies Act 2006.

Trust: the employee ownership trust known as the Animus Associates Employee Ownership Trust established by the Company on or around the Adoption Date.

Trustee: the trustee or trustees for the time being of the Trust which, at the Adoption Date, is Animus Associates Trustee Limited, a company incorporated in England with company registration no. 15074113).

Unless expressly provided otherwise in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles. The final paragraph of Model Article 1 shall not apply to the Company.

- 1.2 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to a numbered **Article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise in these Articles, a reference to legislation, a legislative provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and
 - (b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any legislation, legislative provision or subordinate legislation which it amends or re-enacts.

This article **1.4** shall not apply to the definition of **Model Articles** in article **1.1**.

- 1.5 A reference to a **holding company** or **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the

purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security, or (b) its nominee.

- 1.6 Any words following the terms **including**, **include**, **in particular** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.9 Model Articles 8(3), 11(2) and (3), 14(1), (2), (3) and (4), 38, 52 and 53 shall not apply to the Company.
- 1.10 Model Article 7 shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
 - (b) the insertion in Model Article 7(2) of the words "(for so long as they remain the sole director)" after the words "and the director may".
- 1.11 In Model Article 8(2), the words "copies of which have been signed by each eligible director" shall be deleted and replaced with the words "of which each Eligible Director has signed one or more copies".
- 1.12 Model Article 20 shall be amended by the insertion of the words "and the company secretary (if any)" before the words "properly incur".
- 1.13 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.14 In Model Article 30(4), the words "the terms on which shares are issued" shall be deleted and replaced with "the rights attached to any shares".
- 1.15 In Model Article 32(a), the words "the terms on which the share was issued" shall be deleted and replaced with "the rights attached to the share".
- 1.16 Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.

DIRECTORS

2. Directors' general authority

Subject to the articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company.

3. Calling a directors' meeting

3.1 Any director may call a directors' meeting by giving not less than 7 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

3.2 Notice of a directors' meeting shall be given to each director in writing.

4. Quorum for directors' meetings

4.1 Subject to article 4.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.

4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in article 7.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

5. Directors to take decisions collectively

5.1 The general rule about decision-making by directors is that any decision of the Directors must be either a majority decision at a meeting or a decision taken unanimously by all Directors.

5.2 Decisions in accordance with article 5.1 may take the form of a resolution in writing, copies of which have been signed by each Eligible Director or to which each Eligible Director has otherwise indicated agreement in writing.

5.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

5.4 If the Company has only one director and no provision of the articles require it to have more than one Director, the general rule does not apply, and the Director may take decisions without regard to any of the provisions of the articles relating to directors' decision making.

6. Transactions or other arrangements with the Company

6.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided the director has declared the nature and extent of their interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which the director has an interest;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which the director is interested;
- (d) may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as they may otherwise agree, be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit, nor shall the receipt of any such remuneration or other benefit constitute a breach of their duty under section 176 of the Act.

6.2 The provisions of article 6.1(a) to article 6.1(f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 7.3.

7. Directors' conflicts of interest

7.1 The directors may, in accordance with the requirements set out in this article 7, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching their duty under section 175 of the Act to avoid conflicts of interest and for this purpose any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties (**Conflict**).

- 7.2 Any authorisation under this article 7.1 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration 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; and
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director.
- 7.3 Any authorisation of a Conflict under this article 7.1 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to act in accordance with any such terms and conditions.
- 7.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 7.5 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that they derive from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 7.6 A director may, notwithstanding his office and regardless of whether such situation creates a direct or indirect interest or duty that conflicts, or possibly may conflict, with the interests of the Company, be:
- (a) appointed as director of the Company by notice in writing by the Trustee or by any other Shareholder in accordance with these Articles;
 - (b) a Shareholder or an employee or director or other officer of, or otherwise engaged by or interested in, the Trustee or any other Shareholder;
 - (c) an employee or director or other officer of any subsidiary of the Company or any other body corporate in which the Company is otherwise interested; and/or
 - (d) a beneficiary of any trust or trusts established for the benefit of employees and directors or former employees and directors of the Company.
- 7.7 Any conflict or potential conflict of a director arising from the situations set out in article 7.6 are deemed to be authorised and shall not require authorisation under article 7.1.

7.8 The Company may by ordinary resolution suspend or relax the provisions of this article 7 to any extent.

8. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the directors to retain a copy of such decisions.

9. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.

10. Appointment and removal of directors

10.1 A majority of Shareholders may at any time and from time to time by notice in writing to the Company appoint one or more persons to be a director or directors of the Company and to remove any director or directors from office (whether or not appointed pursuant to this article **10**).

10.2 Model Article 18 shall be amended by the inclusion of the words "notification of the director's removal is received by the Company from a majority of Shareholders pursuant to Article 10.1" as a new paragraph (g) at the end of that Model Article.

10.3 Any removal of a director pursuant to article **10.1** shall be without prejudice to any claim for breach of contract under any employment agreement between the Company and the director so removed.

11. Directors' remuneration

11.1 Directors are entitled to such remuneration as the directors determine:

- (a) for their services to the Company as directors; and
- (b) for any other service which they undertake for the Company.

11.2 Unless the directors decide otherwise, directors' are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's Subsidiaries or of any other body corporate in which the Company is interested.

SHARES AND SHAREHOLDER MEETINGS

12. Issue of new shares

12.1 Subject to article 20, the directors may exercise any power of the Company to allot shares or to grant rights to subscribe for, or to convert any security into, shares only if:

- (a) the shares are allotted or the rights granted to the Trustee; or
- (b) the shares are allotted or the rights granted pursuant to a share option scheme (or any other incentive scheme approved by the Board) in respect of shares which when aggregated with any shares:
 - (i) that have been issued (or transferred) on the exercise of options or awards under any such scheme; and
 - (ii) remain capable of being issued or transferred under any existing options or award under any such scheme,
 - (iii) will not as a result exceed 20% of the issued share capital of the Company from time to time; or
- (c) the directors are authorised to allot the shares or grant the rights by ordinary resolution.

12.2 Sections 561 and 562 of the Act do not apply to the allotment of equity securities (within the meaning given by section 560 of the Act) by the Company.

13. Procedure for declaring dividends

13.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.

13.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.

13.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

13.4 Unless the Shareholders' resolution to declare or directors' decision to pay a dividend, or the rights attached to any shares, specify otherwise, it must be paid by reference to each Shareholder's holding of shares on the date of the resolution or decision to declare or pay it.

13.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.

- 13.6 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.
- 13.7 If the directors act in good faith, they do not incur any 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.
- 13.8 Notwithstanding any other provision of this article, the Trustee shall at all times be entitled to more than 50% of the profits available for distribution to the Shareholders at that time and no dividend shall be declared or paid unless the amount declared in respect of the shares held by the Trustee will represent more than 50% of such profits.

14. Quorum for general meetings

- 14.1 No business other than the appointment of the chair of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 14.2 Where the Company has only one shareholder for the time being, one qualifying person (as defined in section 318 of the Act) present at the meeting shall be a quorum. In any other case, the quorum shall be:
- (a) a Shareholder present in person, by proxy or by authorised representative; or
 - (b) if the Company does not have a Shareholder for the time being, any two shareholders present in person, by proxy or by authorised representative.
- 14.3 Where the Company has more than one Shareholder, no business shall be conducted at a meeting unless the Trustee is present by proxy or by corporate representative.

15. Proxies

- 15.1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 15.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Model Article.

TRUST DEED

16. Compliance with Trust Deed

The directors and the Shareholders shall exercise their rights in a such manner as necessary to ensure the Company does not breach the terms of the Trust Deed or the Share Purchase Agreement subject always to such actions being.

ADMINISTRATIVE ARRANGEMENTS

17. Change of company name

The name of the Company may be changed by:

- (a) a decision of the directors; or
- (b) a special resolution of the Shareholder,

or otherwise in accordance with the Act.

18. Means of communication to be used

18.1 Subject to article **18.2**, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (g) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (h) if deemed receipt under the previous paragraphs of this article **18.1** would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a

day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

18.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

19. Indemnity and insurance

19.1 Subject to article 19.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by them as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of their duties, or in relation to them; and
 - (ii) 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) of the Act),

including (in each case) any liability incurred by them in defending any civil or criminal proceedings, or regulatory investigation or action, in which judgment is given in their favour or in which they are acquitted or the proceedings are, or the investigation or action is, otherwise disposed of without any finding or admission of any material breach of duty on their part or in connection with any application in which the court grants them, in their capacity as a relevant officer, 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; and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by them in connection with any proceedings, investigation, action or application referred to in article 19.1(a) and otherwise

may take any action to enable any such relevant officer to avoid incurring such expenditure.

19.2 This article 19 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

19.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

19.4 In this article 19:

- (a) **associated company** means any member of the Group and **associated companies** shall be construed accordingly;
- (b) a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act) , but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not that person is also a director or other officer), to the extent they act in their capacity as auditor).

EMPLOYEE OWNERSHIP

20. Controlling Interest Requirement

20.1 Notwithstanding any other provisions of these articles, no power conferred by or right granted under these articles shall be exercisable, and no provision of these articles shall operate, so as to prevent the Trustee (in its capacity as trustee of the Trust) from continuing to meet the Controlling Interest Requirement.

20.2 For the purpose of these Articles, "Controlling Interest Requirement" means the requirement in section 236M of the Taxation of Chargeable Gains Act 1992 (and section 236T of the Taxation of Chargeable Gains Act 1992 shall apply to determine if this requirement is met in relation to the Trust).