

Company No 09469741

**THE COMPANIES ACT 2006**

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**PRIVATE COMPANY LIMITED BY SHARES**

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**WRITTEN RESOLUTION**

of

**TOMLIN PERSONNEL LIMITED**

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(Passed on 27<sup>th</sup> May 2015)

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The following resolution was duly passed pursuant to Chapter 2 of Part 13 of the Companies Act 2006 on 27<sup>th</sup> May 2015 by members of the Company representing the required majority of total voting rights of eligible members as a special resolution

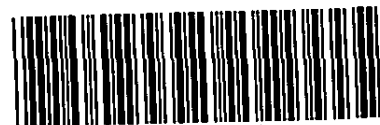
**SPECIAL RESOLUTION**

- 1 THAT new Articles of Association in the form annexed to this Resolution and for the purpose of identification market "A" are approved and adopted in substitution for and to the exclusion of the existing Articles of Association of the Company



Director/Secretary

FRIDAY



\*R48XU208\*  
RC2 05/06/2015 #18  
COMPANIES HOUSE

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**Tomlin Personnel Limited**

**(Adopted by special resolution passed on 27<sup>th</sup> May 2015)**

**1 Interpretation**

1.1 In these Articles, unless the context requires otherwise

**"appointor"** has the meaning given in article 13.1 and 13.2,

**"Articles"** means the company's articles of association for the time being in force,

**"associated company"** means any subsidiary or holding company of the company or any other subsidiary of the company's holding company,

**"auditors"** means the auditors of the company for the time being or if the company has lawfully not appointed auditors, its accountants for the time being, or if in either case such firm is unable or unwilling to act in any particular case, such firm of chartered accountants as may be agreed between the Seller (as defined in article 18.2) and the company acting by the board of directors (or, in default of agreement, as may be appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales or any successor body),

**"business day"** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which banks in the City of London are ordinarily open for the transaction of normal banking business,

**"CA 2006"** means the Companies Act 2006,

**"Conflict"** has the meaning given in article 8.1,

**"eligible director"** means 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),

**"Encumbrance"** means any mortgage, charge, pledge, lien, hypothecation, assignment by way of security, option, restriction, claim, right of pre-emption, right of first refusal, third party right or interest, other encumbrances or security interest of

any kind (or an agreement or commitment to create any of them) or other preferential arrangement having similar effect,

**"Investor"** means Recruit Ventures Limited (07513276) or any of its Permitted Transferees,

**"Investor Director"** means a director appointed by the Investor in accordance with the provisions of article 11,

**"Investor Shares"** means those shares held by the Investor or its Permitted Transferees in the capital of the Company from time to time,

**"Model Articles"** means the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 (SI/2008/3229) as at the date of adoption of these Articles,

**"Permitted Group"** means in relation to the Investor, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company, and each company in a Permitted Group is a member of the Permitted Group Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time,

**"Permitted Transferee"** means in relation to the Investor, any member of the same Permitted Group as the Investor,

**"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) CA 2006), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

**"shareholder"** means a shareholder in the company,

**"shares"** means shares in the capital of the company, and

**"subsidiary"** means in relation to a company wherever incorporated (a holding company) means "subsidiary" as defined in section 1159 of CA 2006

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles 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 CA 2006 have the same meanings in these Articles
- 1 3 Headings in these Articles are for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise

- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- 1 5 1 any subordinate legislation from time to time made under it, and
- 1 5 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles apply to the company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles do not apply to the company

## **DIRECTORS**

### **2 Directors to take decisions collectively**

- 2 1 Article 7 of the Model Articles is amended by
- 2 1 1 the insertion of the words “for the time being” at the end of article 7(2)(a), and
- 2 1 2 the insertion in article 7(2) of the words “(for so long as he remains the sole director)” after the words “and the director may”

### **3 Unanimous decisions**

- 3 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 3 2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing
- 3 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

### **4 Calling a directors’ meeting**

- 4 1 Any director may call a directors’ meeting by giving not less than 5 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
- 4 2 Notice of a directors’ meeting shall be given to each director in writing

### **5 Quorum for directors’ meetings**

- 5 1 Subject to article 5 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors of whom one must be the Investor Director

5 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 1 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

5 3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision

5 3 1 to appoint further directors, or

5 3 2 to call a general meeting so as to enable the shareholders to appoint further directors

5 4 No resolution may be passed at a meeting of the directors unless the Investor Director (where he is an eligible director) casts his vote in favour of such resolution

## **6 Casting vote**

6 1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

## **7 Transactions or other arrangements with the company**

7 1 Subject to the provisions of CA 2006 and provided he has declared the nature and extent of his interest, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company, notwithstanding his office

7 1 1 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,

7 1 2 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,

7 1 3 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 promoted by the company or in which the company is otherwise (directly or indirectly) interested,

7 1 4 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 CA 2006)) derives from any such contract, transaction or arrangement or from any office or employment or from any interest in any body corporate which he is permitted to hold or enter into by virtue of articles 7 1 1, 7 1 2 or 7 1 3 and no such contract, 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 his duty under section 176 CA 2006, and

7 1 5 shall subject to article 8 1, be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) and shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, on any matter referred to in articles

7 1 1 to 7 1 3 (inclusive) or on any resolution which in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever and if he shall vote on any such resolution his vote shall be counted

## **8 Directors' conflicts of interest**

8 1 For the purposes of section 175 CA 2006, the directors may authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of duty by a director under that section, including, without limitation, any matter which relates to a situation in which a director has, or can have, an interest which conflicts, or possibly may conflict, with the interests of the company (a "**Conflict**") Any such authorisation will be effective only if

8 1 1 any requirement as to quorum at the meeting at which the matter is considered is met without counting the director in question or any other interested director, and

8 1 2 the matter was agreed to without their voting or would have been agreed to if their votes had not been counted

The directors may (whether at the time of the giving of the authorisation or subsequently) make any such authorisation subject to any limits or conditions they may expressly impose but such authorisation is otherwise given to the fullest extent permitted The directors may vary or terminate any such authorisation at any time

For the purposes of the Articles, a conflict of interest includes a conflict of interest and duty and a conflict of duties, and interest includes both direct and indirect interests

8 2 A director shall be under no duty to the company with respect to any information which he obtains or has obtained otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person However, to the extent that his relationship with that other person gives rise to a Conflict, this Article applies only if the existence of that relationship has been approved by the directors pursuant to article 8 1 In particular, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 CA 2006 because he fails

8 2 1 to disclose any such information to the board or to any director or other officer or employee of the company, and/or

8 2 2 to use or apply any such information in performing his duties as a director of the company

8 3 Where the existence of a director's relationship with another person has been approved by the board pursuant to article 8 1 and his relationship with that person gives rise to a Conflict, the director shall not be in breach of the general duties he owes to the company by virtue of sections 171 to 177 CA 2006 because he

8 3 1 absents himself from meetings of the board at which any matter relating to the Conflict will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or

8 3 2 makes arrangements not to receive documents and information relating to any matter which gives rise to the Conflict sent or supplied by the company and/or for such documents and information to be received and read by a professional adviser,

for so long as he reasonably believes such Conflict subsists

8 4 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 which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (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

## **9 Records of decisions to be kept**

9 1 Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

## **10 Number of directors**

10 1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two

## **11 Appointment of directors**

11 1 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to 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

11 2 For so long as the Investor and its Permitted Transferees hold shares, the Investor or such Permitted Transferee (as the Investor may elect) shall have the right to

11 2 1 appoint and maintain in office one natural person as the Investor may from time to time direct as an Investor Director and to remove that director and, upon his removal whether by the Investor or otherwise, to appoint another person to act as an Investor Director in his place, and

11 2 2 appoint a representative to attend as an observer at each and any meeting of the board and of each and any committee of the Board

## **12 Directors' expenses**

12 1 Article 20 of the Model Articles is amended by

12 1 1 the deletion of the word "may" and insertion of the word "must" in its place before the words "pay any reasonable expenses", and

12 1 2 the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"

**13     Appointment and removal of alternate directors**

13 1     The Investor Director ("**appointor**") may at any time appoint as an alternate any other person to

13 1 1   exercise that director's powers, and

13 1 2   carry out that director's responsibilities

in relation to the taking of decisions by the directors, in the absence of the Investor Director

13 2     Any director (not being an Investor Director) (also an "**appointor**") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

13 2 1   exercise that director's powers, and

13 2 2   carry out that director's responsibilities

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

13 3     Any appointment or removal of an alternate pursuant to clause 13 1 or 13 2 must be effected by notice in writing to the company signed by person wishing to appoint him, or in any other manner approved by the directors

13 4     The notice must

13 4 1   identify the proposed alternate, and

13 4 2   in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice

**14     Rights and responsibilities of alternate directors**

14 1     An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor(s)

14 2     Except as the Articles specify otherwise, alternate directors

14 2 1   are deemed for all purposes to be directors,

14 2 2   are liable for their own acts and omissions,

14 2 3   are subject to the same restrictions as their appointors, and

14 2 4   are not deemed to be agents of or for their appointors

and, in particular, each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member



- 14 3 A person who is an alternate director but not, in the absence of such appointment, a director
- 14 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),
- 14 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
- 14 3 3 shall not be counted as more than one director for the purposes of articles 14 3 1 and 14 3 2
- 14 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 (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present
- 14 5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company

## **15 Termination of alternate directorship**

- 15 1 An alternate director's appointment as an alternate terminates
- 15 1 1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- 15 1 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- 15 1 3 on the death of the alternate's appointor, or
- 15 1 4 when the alternate's appointor's appointment as a director terminates

## **16 Secretary**

- 16 1 The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

## **SHARES AND DISTRIBUTIONS**

### **17 Directors' authority to allot shares**

- 17 1 Save to the extent authorised by these articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company

17 2 The directors of the company are generally and unconditionally authorised in accordance with section 551 CA 2006 and in substitution for any existing authority conferred on them in accordance with section 80 Companies Act 1985/section 551 CA 2006 to exercise all the powers of the company

17 2 1 to allot shares in the company, and/or

17 2 2 to grant rights to subscribe for or to convert any security into shares in the company ("**Rights**")

up to an aggregate nominal amount of £500 for a period of five years from the date of adoption of these articles save that in accordance with s551(7) CA 2006 the company may before the expiry of such period make an offer or agreement which would or might require shares to be allotted or Rights to be granted after such expiry and the directors may allot shares or grant Rights pursuant to such offer or agreement as if this authority had not expired

## **18 Dealings with and transfers of shares**

18 1 Each shareholder (other than any holder of Investor Shares) undertakes with each of the others that he shall not without the prior written approval of the others

18 1 1 mortgage (whether by way of fixed or floating charge), pledge or otherwise encumber his legal or beneficial interest in all or any of his shares,

18 1 2 sell, transfer or otherwise dispose of all or any of his shares or any legal or beneficial interest in them or assign or otherwise purport to deal with them or with any interest in them

(i) within three years of the date of adoption of these articles (except where required to do so by these articles), and

(ii) in any event, otherwise than in accordance with these Articles and subject to articles 18 2, 19, 20 and 21,

18 1 3 enter any agreement with respect to the voting rights attached to all or any of his shares, or

18 1 4 agree, whether conditionally or otherwise, to do any of the foregoing

18 2 A holder of Investor Shares may sell, transfer or otherwise dispose of all or any of its shares or any legal or beneficial interest in them or assign or otherwise purport to deal with them or with any interest in them to a Permitted Transferee

18 3 Except where Article 18 2 applies, each of the shareholders agrees that if any of them wishes to sell, transfer or otherwise dispose of all or any of his shares or any legal or beneficial interest in them or assign or otherwise purport to deal with them or with any interest in them (such party being a "**Seller**" and such transaction being referred to in this article 18 as a "**Transfer**") to another shareholder or to any third party, the Seller shall serve on the board of directors (acting for the purposes of this article 18 as agent for the company) a notice in writing of his wish to transfer all or any of his shares accompanied by the relevant share certificates. Such notification ("**Transfer Notice**") shall

- 18 3 1 state the number and class of shares which the Seller desires to transfer ("**Sale Shares**"),
- 18 3 2 state, if applicable, the Sale Price (as defined in article 18 7) for the Sale Shares and constitute the board of directors as the Seller's agent for the sale of the Sale Shares at the Sale Price (as defined in article 18 7), and
- 18 3 3 give details of the other person to whom the Seller wishes to transfer the Sale Shares in the event that no purchaser shall have been found pursuant to articles 18 3 to 18 6 (both inclusive)

A Seller may withdraw a Transfer Notice by notice in writing given to the company within 10 business days after communication to him of the auditors' written opinion of the Sale Price pursuant to article 18 7, but a Seller may not in any other circumstances withdraw or vary a Transfer Notice which has been given or deemed to have been given. No Transfer Notice may be given if a Request Notice has already been given in accordance with article 21 and the procedures and actions relating to any such notice have not yet been completed.

- 18 4 Any Transfer of shares pursuant to this article 18 shall be made free from any Encumbrance and with all rights attached to the Sale Shares as at the date of service of the Transfer Notice, but without the benefit of any other warranties or representations whatsoever
- 18 5 Within five business days after the board of directors has received a Transfer Notice or, if later, within five business days after the Sale Price has been determined in accordance with article 18 7 (and, if applicable, after a Seller has informed the board of directors that he does not wish to exercise his right to withdraw a Transfer Notice under article 18 2 or such right has ceased to be exercisable), the board of directors shall offer the Sale Shares to the other shareholders ("**Offerees**") in their respective Relevant Proportions (for the purposes of these Articles "**Relevant Proportions**" means the percentage of the issued share capital of the company held by a shareholder from time to time) at that time ("**Share Entitlement**"). Such offer shall include details in writing of the number of the Sale Shares and the Sale Price and shall invite the Offerees to specify in writing to the company within 10 business days from the date of such offer whether they are willing to purchase all (but not some only) of the Sale Shares at the Sale Price. The board of directors shall, at the same time, give details to the Offerees of the person to whom the Seller wishes to transfer the Sale Shares if the Offerees choose not to purchase the Sale Shares. If an Offeree does not inform the board of directors within 10 business days of the date of the offer that he wishes to purchase at least his Share Entitlement at the Sale Price, such Offeree shall be deemed to have declined his Share Entitlement (such Offeree being referred to below as a "**Declining Offeree**"). If any Offeree has accepted his Share Entitlement in writing to the board of directors within 10 business days of the date of the offer ("**Accepting Offeree**"), then the board of directors shall within 15 business days of the date of the original offer, offer such Accepting Offeree the Share Entitlement of any Declining Offeree. If the Accepting Offeree does not within 25 business days of the date of the original offer inform the board of directors that he wishes to purchase the Share Entitlement of such Declining Offerees, the Accepting Offeree shall be deemed to have declined the Share Entitlement of such Declining Offeree
- 18 6 The board of directors shall, on the expiry of the 10/25 day period referred to in article 18 3 notify the Seller whether the Offeree or Offerees (as appropriate) are willing to purchase the Sale Shares. If the Offeree or Offerees (as appropriate) are

willing to purchase all (but not some only) of the Sale Shares, the Seller shall be bound, on receipt of the Sale Price in cash, to transfer the Sale Shares to the Offeree or Offerees (as appropriate). The purchase shall be completed as soon as reasonably practicable at a place and time to be appointed by the Board when, against payment of the Sale Price and subject to payment by the Offeree or Offerees (as appropriate) of any relevant stamp duties, the Offeree or Offerees (as appropriate) shall be registered as the holder(s) of the Sale Shares in the register of members of the company and a share certificate in the name of the Offeree or Offerees (as appropriate) in respect of the Sale Shares shall be delivered.

18.7 If the Offeree or Offerees (as appropriate) declines or is deemed to have declined the offer to purchase the Sale Shares pursuant to article 18.3

18.7.1 the company shall be entitled to purchase all (but not some only) of the Sale Shares (or, if one Offeree has accepted their own Share Entitlement but declined the Share Entitlement of a Declining Offeree, the remaining part of them) provided all of the relevant provisions of CA 2006 are complied with, or

18.7.2 the Seller may (subject, if appropriate to his compliance with article 19) sell and transfer all (but not some only) of the Sale Shares (or, if one Offeree has accepted their own Share Entitlement but declined the Share Entitlement of a Declining Offeree, the remaining part of them) at any time within the following three months to the person named in the Transfer Notice in pursuance of a bona fide sale at any price not being less than the Sale Price.

18.8 For the purposes of this article 18 "**Sale Price**" means the price for the Sale Shares specified (if any) in the Transfer Notice as being the price offered by any third party from which the Seller has received a bona fide offer or (if no such price is so specified) the fair value of the Sale Shares as the Seller and the Offeree or Offerees (as appropriate) shall agree or, failing agreement, as the auditors of the company (acting as experts and not as arbitrators) shall state in writing to be in their opinion the fair selling value of the Sale Shares on the open market, having regard to the fair value of the business of the company as a going concern and on the basis of an arm's length transaction as between a willing seller and a willing purchaser and that the Sale Shares are sold free of all Encumbrances or on such other basis of valuation as the shareholders may agree from time to time in writing. The determination of the auditors of the company shall be final and binding on all concerned. The cost of obtaining the certificate of the auditors of the company shall be borne by the Seller. The board of directors shall provide to the auditors all information which a prudent prospective purchaser of the entire issued share capital of the company might reasonably require if such purchaser were proposing to purchase it from a willing seller by private treaty and at arm's length and the auditors shall take account of such information in giving their opinion.

18.9 Each of the shareholders appoints the other shareholders jointly, irrevocably and by way of security for the performance of his obligations under this article 18 as his attorney to execute any necessary document in relation to any Transfer of shares. The company may receive any purchase monies on behalf of the Seller but shall not be bound to earn or pay interest on it. The receipt by the company of the purchase monies shall be a good discharge to the Offeree, who shall not be bound to see to its application. If the Offeree fails to deliver the purchase monies to the Seller on the completion date, the purchase monies shall bear interest at the rate of 2 per cent above the base rate of Lloyds TSB Bank PLC from time to time calculated on a daily

basis and compounded monthly. The Seller irrevocably authorises the directors to approve the registration of any Transfer of shares pursuant to this article 18

18 10 On a Transfer of shares from the Seller to the Offeree in accordance with this article 18

18 10 1 the Seller shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings (together with any accrued interest) outstanding to the company from him,

18 10 2 the company or the Offeree shall repay all loans, loan capital, borrowings and indebtedness in the nature of borrowings (together with any accrued interest) outstanding to the Seller from the company, and

18 10 3 the Seller shall co-operate by doing all such things and executing all such documents as the Offeree or Offerees (as appropriate) may reasonably require to procure that the company shall adopt new articles of association in such form as the Offeree or Offerees (as appropriate) may require

19 **Transfers of a significant interest ('tag-along')**

19 1 No sale or transfer (whether by one or by a series of transactions) of any shares which amounts in the aggregate to 50 per cent or more of the shares in issue ("**Specified Shares**") shall be made or registered without the prior consent of all the shareholders unless, before such sale or transfer is made, the proposed transferee has irrevocably and unconditionally offered to purchase all the shares for the time being in issue at the Specified Price and otherwise on the same terms (including as to the time of completion and the manner of payment) as the proposed transferee has offered to purchase the Specified Shares

19 2 In this article 19, the expression "**Specified Price**" shall mean a consideration for each of the other shares at least equal to the aggregate of that offered or paid or payable by the proposed transferee for each of the Specified Shares. For the purposes of this article 19, the consideration payable for each of the Specified Shares shall include any amount received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for each of the Specified Shares and, in the event of any disagreement about the calculation of the Specified Price, its calculation shall be referred within seven days of the dispute arising to the auditors of the company (acting as experts and not as arbitrators) whose decision with respect to the Specified Price shall be final and binding on the parties. The parties shall give all reasonable assistance to the auditors of the company in verifying the Specified Price, including, without limitation, the disclosure of all relevant documentation containing the terms of the transaction between the Seller and the proposed purchaser

20 **Transfers of a significant interest ('drag along')**

20 1 If an offer ("**Offer**") is made by any person acting bona fide at arm's length ("**Offeror**") to any one or more shareholders holding (together) in aggregate 50 per cent or more of the shares in issue for the purchase of the entire legal and beneficial interest in all shares owned by such shareholder(s) (or at least shares comprising 50 per cent or more of the shares in issue) then such shareholder(s) ("**Selling Shareholder(s)**") may accept the Offer on condition that the terms of this article 20 are complied with in

all respects and, upon the terms of this article 20 being so complied with, may transfer their shares in the company to the Offeror

20 2 On accepting the Offer the Selling Shareholder(s)

20 2 1 shall notify all other shareholders ("**Remaining Shareholders**") of the main terms of the Offer and that they have accepted the Offer subject to compliance with this article 20 and such notice shall constitute a warranty and representation by the Seller Shareholder(s) to the Remaining Shareholders that the Offer complies with this article 20, and

20 2 2 shall procure that within 30 days of such notice the Offeror makes a binding written offer to the Remaining Shareholders at the same price per share and on terms that are no worse than those in the Offer ("**Drag Along Offer**")

20 3 On receipt of a Drag Along Offer from the Offeror pursuant to article 20 2 2 the Remaining Shareholders shall accept it promptly and in any event within 5 business days of receipt and in default shall be deemed to have accepted it on the sixth business day after receipt Unless all the Remaining Shareholders and the Seller Shareholder(s) otherwise agree, completion of the sale and purchase of the Remaining Shareholders' shares shall take place on the same date as that proposed for completion of the sale and purchase of the Seller Shareholder(s) shares

21 **Compulsory Transfer**

21 1 This Article 21 applies when an employee or officer of the company or any of its subsidiaries or any of their subsidiaries who is a shareholder ("**Employee Shareholder**") ceases, for any reason, to be an employee or officer of the Company or any of its subsidiaries or any of their subsidiaries

21 2 On the date of his ceasing to be an employee or officer of the company an Employee Shareholder (or his personal representatives in the case of his death) ("**Compulsory Seller**") shall be deemed to have served a Transfer Notice constituting the company as agent for the sale of all his Shares ("**Sale Shares**"), free from all liens, charges and encumbrances and with all rights attaching to them, to the other shareholders in proportion to their existing shareholdings on the following terms

21 2 1 The price payable for each of the Sale Shares shall be certified by the auditors within 30 days of cessation of the employment as being

(i) in the case of a Good Leaver (as defined in 21 4 1) the market value likely to result in the event of a sale of the Sale Shares as between a willing seller and a willing purchaser without taking into account the fact that the Employee Shareholder's shareholding may be a minority shareholding in the company immediately after the cessation of employment,

(ii) in the case of a Bad Leaver (as defined in 21 4 2), par value

21 2 2 Within seven days after the price has been so certified the company shall notify the price per share to the Compulsory Seller and shall give notice to each of the other shareholders of the number of Sale Shares on offer to him/her and the price per share

- 21 2 3 Within seven days of receipt of such notification, each of the other Shareholders shall notify the Company in writing of the number, if any, of the Sale Shares that such shareholder is willing to purchase (which number may be more or less than that shareholder's proportional entitlement) Any shareholder who fails to notify the Company in accordance with this Article shall be deemed to have declined to purchase any of the Sale Shares
- 21 2 4 The company shall allocate Sale Shares to those of the other shareholders who have indicated a willingness to purchase the Sale Shares ("**Purchasers**")
- (i) firstly in proportion to their existing shareholdings,
  - (ii) secondly, if there remains all or any Sale Shares unallocated, to those Purchasers who indicated a willingness to purchase a greater number of Sale Shares than his/her proportional entitlement, again in proportion to their existing shareholdings, and
  - (iii) thirdly, if there remain some or all of the Sale Shares unsold then, providing all the provisions of CA 2006 are complied with, the company shall be entitled to purchase the remaining Sale Shares
- 21 2 5 Within 21 days after the price has been so certified the company shall
- (i) notify the Compulsory Seller of the names and addresses of the Purchasers and the number of Sale Shares to be transferred to each, and
  - (ii) the company's notice shall state a date, between seven and 14 days later, on which the sale and purchase of the Sale Shares is to be completed ("**Completion Date**")
- 21 3 Any dispute as to whether the price payable for the Sale Shares shall be determined in accordance with Article 21 2 1(i) or 21 2 1(ii) shall not affect the validity of any transfer of the Sale Shares under this Article 21, but any person who acquires the Sale Shares pursuant to this Article 21 shall pay to the Compulsory Seller, while such a dispute is continuing, the par value of the Sale Shares and shall pay the difference between the par value and the price per share as determined by the auditors to the company The Company shall hold that difference in a separate bank account as trustee to pay it, and any interest earned on it, upon final determination of the dispute
- 21 3 1 pro rata to the Purchasers in the case of a Bad Leaver, and
- 21 3 2 to the Compulsory Seller in the case of a Good Leaver
- 21 4 For the purpose of Article 21 2 1
- 21 4 1 "**Good Leaver**" refers to an Employee Shareholder who ceases to be an employee or officer of the company or any subsidiary or any subsidiary of such subsidiaries and such cessation occurs as a result of
- (i) death, illness (including mental illness), disability, permanent incapacity through ill health, or

- (ii) wrongful dismissal, or
  - (iii) in circumstances where he has been dismissed from employment and such dismissal is unfair for the purpose of the Employment Rights Act 1996
- 21 4 2 **"Bad Leaver"** refers to any Employee Shareholder who ceases to be an employee or officer of the company or any subsidiary or any subsidiary of such subsidiaries and such cessation occurs as a result of either
  - (i) his/her resignation (other than as a result of constructive dismissal) within 3 years of the adoption of these Articles, or
  - (ii) the lawful termination by the company of his/her employment or office in accordance with and by reason of a breach of the terms of his/her service agreement with the company
- 21 5 For the purpose of Article 21 2 the date upon which a member ceases be an employee or officer of the company shall be
  - 21 5 1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination)
  - 21 5 2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice,
  - 21 5 3 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in Article 21 5 1 to 21 5 2, the date on which the action or event giving rise to the termination occurs
- 21 6 By the Completion Date the Compulsory Seller shall deliver any transfer form(s) as the directors may direct for the Sale Shares, with the relevant share certificate(s), to the Company On the Completion Date the Company shall pay to the Compulsory Seller, on behalf of the Purchasers, the certified price for the Sale Shares to the extent that the Purchasers have put the Company in the requisite funds The Company's receipt for the price shall be a good discharge to the Purchasers The Company shall hold the price in trust for the Compulsory Seller without any obligation to pay interest
- 21 7 To the extent that the Purchasers have not, by the Completion Date, put the Company in funds to pay the certified price, the Compulsory Seller shall be entitled to the return of the stock transfer form and share certificate for the relevant Sale Shares
- 21 8 If a Compulsory Seller fails to deliver a stock transfer form for the Sale Shares to the Company by the Completion Date, the directors may (and shall, if requested by the other Shareholders) authorise any director to transfer the Sale Shares on the Compulsory Seller's behalf to the Purchasers to the extent that the Purchasers have, by the Completion Date, put the Company in funds to pay the certified price for the Sale Shares offered to them The directors shall then authorise registration of the transfers once appropriate stamp duty has been paid The defaulting Compulsory



Seller shall surrender the share certificate for the Sale Shares to the Company. On surrender, he shall be entitled to the certified price for the Sale Shares.

- 21 9 If the monies due in accordance with either Articles 21 3 or 21 6 are not paid within 14 days of the notification referred to therein (otherwise than as a result of any default on the part of the Compulsory Seller) then the unpaid sum shall carry interest calculated on a daily basis (both before and after judgment) at the rate of 2% above the base rate of Lloyds TSB Bank Plc from time to time from the day 14 days after the said notification to the date of actual payment (both dates inclusive)

## **22 Replacement share certificates**

- 22 1 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" are deleted and replaced with the words "evidence and indemnity"

## **23 Transmission of shares**

- 23 1 Article 27(3) of the Model Articles is amended by the insertion of the words ", subject to article 11," after the word "But"

## **24 Dividends**

- 24 1 Every meeting of the directors at which a dividend is declared shall direct that such dividend be paid either in respect of one or more class or classes of shares to the exclusion of all the other class or classes of shares, or in respect of all the classes of shares
- 24 2 Where a dividend is declared in respect of all classes of shares the company may, by ordinary resolution, differentiate between the classes as to the amount or percentage of dividend payable, but in default the shares in each such class shall be deemed to rank pari passu in all respects as if they constituted one class of share

# **DECISION MAKING BY SHAREHOLDERS**

## **25 Poll votes**

- 25 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 CA 2006) present and entitled to vote at the meeting
- 25 2 Article 44(3) of the Model Articles 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 article

## **26 Proxies**

- 26 1 Article 45(1)(d) of the Model Articles 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"
- 26 2 Article 45(1) of the Model Articles 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 article

## **ADMINISTRATIVE ARRANGEMENTS**

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

27 1     Any notice, document or other information shall be deemed served on or delivered to the intended recipient

27 1 1     if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

27 1 2     if properly addressed and delivered by hand, when it was given or left at the appropriate address,

27 1 3     if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

27 1 4     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

For the purposes of this article, no account shall be taken of any part of a day that is not a working day

27 2     In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA 2006

### **28     Indemnity**

28 1     Subject to the provisions of, and so far as may be consistent with, the Companies Acts and any other provision of law, but without prejudice to any indemnity to which a relevant officer may otherwise be entitled, the company shall indemnify every relevant officer out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties and/or the actual or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office including (without prejudice to the generality of the foregoing) any liability incurred by him in relation to any proceedings, whether civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as a relevant officer PROVIDED that in the case of any director, any such indemnity shall not apply to any liability of that director

28 1 1     to the company or to any of its associated companies,

28 1 2 to pay any fine imposed in criminal proceedings or any sum payable to a regulatory authority by way of penalty in respect of non-compliance with any requirement of a regulatory nature (however arising), or

28 1 3 incurred

(i) in defending any criminal proceedings in which he is convicted or any civil proceedings brought by the company, or any of its associated companies, in which judgment is given against him, or

(ii) in connection with any application under any statute for relief from liability in respect of any such act or omission in which the court refuses to grant him relief

in each case where the conviction, judgment or refusal of relief by the court is final within the meaning stated in section 234 CA 2006

28 2 Every director shall be entitled to have funds provided to him by the company to meet expenditure incurred or to be incurred in connection with any proceedings (whether civil or criminal) brought by any party which relate to anything done or omitted or alleged to have been done or omitted by him as a director, provided that he will be obliged to repay such amounts no later than

28 2 1 in the event he is convicted in proceedings, the date when the conviction becomes final,

28 2 2 in the event of judgment being given against him in proceedings, the date when the judgment becomes final, or

28 2 3 in the event of the court refusing to grant him relief on any application under any statute for relief from liability, the date when refusal becomes final

in each case where the conviction, judgment or refusal by the court is final within the meaning stated in section 234 CA 2006

## **29 Insurance**

29 1 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

29 2 In this article 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

## **30 Liability of members**

30 1 The liability of members is limited to the amount, if any, unpaid on the shares held by them