

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

**AAP ELECTRICAL GROUP LIMITED
(the "Company")**

WRITTEN RESOLUTIONS

21st July 2017 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions be passed as ordinary and special resolutions (the "Resolutions"):

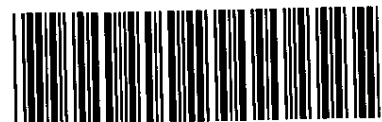
ORDINARY RESOLUTIONS

1. That pursuant to section 190 of the Companies Act 2006 the purchase by the Company of the entire issued share capital of AAP Electrical Contractors Limited (company number 04556160) from Anthony Joseph Markham, Paul Andrew Cunliffe & Michael Vincent Markham (being directors of the Company) pursuant to the terms of the share exchange agreement appended hereto (the "**Share Exchange Agreement**") for the consideration set out in the Share Exchange Agreement, be approved.
2. That in accordance with section 551 of the Companies Act 2006, the directors of the Company (the "**Directors**") be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £690,000 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the passing of this resolution. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the Companies Act 2006.

SPECIAL RESOLUTIONS

1. That subject to the passing of Ordinary Resolution 2 above and in accordance with section 570 of the Companies Act 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Companies Act 2006) pursuant to the authority conferred by Ordinary Resolution 2, as if section 561(1) of the Companies Act 2006 did not apply to any such allotment, provided that this power shall:
 - a. be limited to the allotment of equity securities up to an aggregate nominal amount of £690,000; and
 - b. expire on fifth anniversary of the passing of Ordinary Resolution 2 above (unless renewed, varied or revoked by the Company prior to or on that date).
2. That the Articles of Association of the Company be deleted in their entirety and replaced by the Articles of Association annexed hereto.

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COMPANIES HOUSE

AGREEMENT

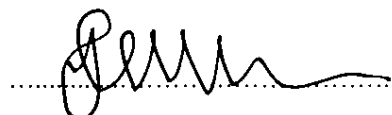
Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being all persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions:



Date: 21/07/2017

Anthony Joseph Markham



Date: 21/07/2017

Paul Andrew Cunliffe



Date: 21/07/2017

Michael Vincent Markham

NOTES

1. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - (a) **By hand:** delivering the signed copy to the Company's Registered Office.
 - (b) **Post:** returning the signed copy by post to the Company's Registered Office.
- If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless, by the date falling 28 days after the Circulation Date, sufficient agreement has been received for the Resolutions to be passed, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Date 21st July 2017

AAP ELECTRICAL GROUP LIMITED

-and-

ANTHONY JOSEPH MARKHAM & OTHERS

SHARE EXCHANGE AGREEMENT

Gorvins
Dale House
Tiviot Dale
Stockport
SK1 1TA

THIS AGREEMENT is made on

21st July

2017

BETWEEN:

- (1) **AAP ELECTRICAL GROUP LIMITED** a company registered in England and Wales with company number 10776218 whose registered office is at Corner House, 28 Huddersfield Road, Milnrow, Lancashire OL16 3QF (the "**Buyer**"); and
- (2) **THE PERSONS** listed in the first column of the Schedule 1 to this Agreement (together the "**Sellers**")

WHEREAS:

- (A) The Sellers own between them the entire issued share capital of AAP Electrical Contractors Limited (company number 04556160) (the "**Company**"). The entire issued share capital of Company (the "**Shares**") is currently in issue and held by the Sellers.
- (B) The Sellers have agreed to transfer or procure the transfer of the Shares to the Buyer on the terms and subject to the conditions of this Agreement.

IT IS HEREBY AGREED as follows:-

1. TRANSFER

The Sellers shall transfer with full title guarantee and the Buyer shall acquire (with effect from completion and free from any encumbrance and together with all benefits and rights now or hereinafter attaching) the Shares set alongside their respective names in the second column of the Schedule to this Agreement.

2. CONSIDERATION

- 2.1 The consideration for the transfer of the Shares by the Sellers shall be the issue and allotment fully paid by the Buyer to the Sellers respectively of the Ordinary Shares of £1.00 each in the share capital of the Buyer set out alongside their respective names in the third column of the Schedule to this Agreement (the "**Consideration Shares**").
- 2.2 All the Consideration Shares shall be issued credited as fully paid.

3. COMPLETION

Completion shall take place immediately following the signing of this Agreement when:

- 3.1 the Sellers shall cause to be delivered to the Buyer transfers of the Shares duly executed in favour of the Buyer together with the relevant share certificates (or deed of indemnity for lost share certificates); and

3.2 in return the Buyer shall procure that its directors shall:-

3.2.1 issue and allot the Consideration Shares fully paid to the Sellers; and

3.2.2 procure the issue to the Sellers of duly executed share certificates for the Consideration Shares.

4. WAIVER OF PRE-EMPTION RIGHTS

Each of the Sellers hereby waives all pre-emption rights (whether arising upon allotment, issue, transfer or otherwise) in respect of the Shares, and the transaction hereby contemplated whether conferred by statute at law in equity by the Articles of Association of the Company by agreement or otherwise.

5. POWER OF ATTORNEY

Each of the Sellers hereby declares that for so long as each of them remain the registered holder of any of the Shares, they will stand and be possessed of any of the dividends or other distributions in respect thereof and of all rights arising out of or in connection therewith in trust for the Buyer and will at all times deal with and dispose of the Shares, dividends distributions and rights as the Buyer shall direct and will vote in respect of the Shares in any manner the Buyer shall direct and execute all instruments of proxy, attorney or other such documents which the Buyer shall request in respect of the Shares.

6. COUNTERPARTS

This Agreement may be entered into in any number of counterparts each of which, when executed, shall be an original, but all the counterparts shall together constitute one and the same instrument.

7. LAW AND JURISDICTION AND ENTIRE AGREEMENT

7.1 This Agreement (together with all documents which are required by its terms to be entered into) sets out the entire agreement and understanding between the parties in connection with the transfer of the Shares.

7.2 This Agreement shall be governed by the laws of England and Wales and the parties hereby irrevocably agree to submit to the exclusive jurisdiction of the English Courts.

IN WITNESS whereof this Agreement has been entered into as a deed the day and year first before written.

SCHEDULE

Sellers	Number of Ordinary Shares of £1 each in the Company	Number and class of Consideration Shares
Anthony Joseph Markham 10 Kiln Hill Close Chadderton Oldham OL1 2RF	3	229,999 Ordinary Shares of £1.00 each
Paul Andrew Cuncliffe 48 Fielders Way Clifton Manchester M27 6SL	3	229,999 Ordinary Shares of £1.00 each
Michael Vincent Markham 32 Hardfield Road Middleton Manchester M24 1JB	3	229,999 Ordinary Shares of £1.00 each
Total	9	689,997

EXECUTED as a DEED by
AAP ELECTRICAL GROUP LIMITED
acting by a Director
in the presence of:

)
)
)
)



Witness Signature



Name ANDREW JAMES CURWEN

Address DALE HOUSE, TIVIST DALE
STOCKPORT

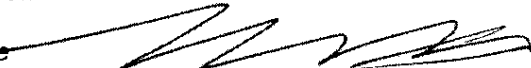
Occupation SOLICITOR

EXECUTED as a DEED by
ANTHONY JOSEPH MARKHAM
in the presence of:

)
)
)
)



Witness Signature



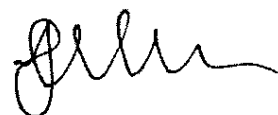
Name ANDREW JAMES CURWEN

Address DALE HOUSE, TIVIST DALE
STOCKPORT

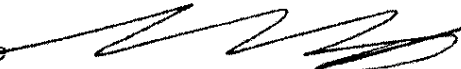
Occupation SOLICITOR

EXECUTED as a DEED by
PAUL ANDREW CUNLIFFE
in the presence of:

)
)
)
)



Witness Signature



Name ANDREW JAMES CURWEN

Address DALE HOUSE, TIVIST DALE
STOCKPORT

Occupation SOLICITOR

EXECUTED as a **DEED** by
MICHAEL VINCENT MARKHAM
in the presence of:

Witness Signature

Name ANDREW JAMES CURWEN

Address DALE HASE, TIVOT DALE
 STOKPORT

Occupation SOLICITOR.

Company Number: 10776218

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF

AAP ELECTRICAL GROUP LIMITED

Company Number: 10776218

Adopted by Special Resolution dated

21st July 2017

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF AAP ELECTRICAL GROUP LIMITED**

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Appointor: has the meaning given in Article 10.1;

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

Board: means the Company acting by its board of directors;

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Company: means AAP Electrical Group Limited (company number 10776218);

Conflict: has the meaning given in Article 7.1;

Deemed Transfer Notice: means a transfer notice deemed to be given under any provision of these Articles;

Eligible Director(s): 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);

Group: means the Company, any subsidiary or subsidiary undertaking of the Company, any holding company of the Company and any subsidiary or subsidiary undertaking of such holding company and "Member of the Group" or "Group Company" shall be construed accordingly;

Market Value: has the meaning given in Article 18.5;

Member: means any registered holder of a Share for the time being;

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 amended prior to the date of adoption of these Articles.

Ordinary Shares: means the Ordinary Shares of £1 each in the capital of the Company;

Proposing Transferor: has the meaning given in Article 18.1;

Relevant Agreement: means an agreement in respect of the conduct of the parties in respect of the Company dated the same date as the adoption of these Articles and entered into between (1) the holders of Ordinary Shares and (2) the Company;

Relevant Member: has the meaning given in Article 19.2;

Representatives: means, in relation to a Member, any person or persons who have become entitled to his Shares in consequence of his death, bankruptcy or mental incapacity;

Shareholders: the shareholders in the Company from time to time;

Shares: shares in the share capital of the Company;

Total Transfer Condition: has the meaning given in Article 18.1;

Transfer Notice: has the meaning attributed thereto in Article 18.1 and includes, where the context admits, a Deemed Transfer Notice.

- 1.2 Save as otherwise specifically provided 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.
- 1.3 Headings in these Articles are used 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:
 - (a) any subordinate legislation from time to time made under it; and
 - (b) 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 shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.

- 1.9 Article 7 of the Model Articles shall be amended by:
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - (b) 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".
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur".
- 1.11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.14 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

DIRECTORS

2. UNANIMOUS DECISIONS

- 2.1 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.
- 2.2 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.
- 2.3 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.

3. CALLING A DIRECTORS' MEETING

- 3.1 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.

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, however, for the avoidance of doubt, should the Company only have one director for the time being then the provisions of Article 7(2) of the Model Articles (as amended by Article 1.9 of these Articles) shall apply.

4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 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. CASTING VOTE

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.

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, 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 contract or proposed contract in which he is interested;
- (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 contract or proposed contract in which he is interested;
- (d) 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;

- (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 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 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate 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 of the Act.

7. DIRECTORS' CONFLICTS OF INTEREST

7.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

7.2 Any authorisation under this Article 7 will be effective only if:

- (a) 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;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

7.6 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 of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

- (a) disclose such information to the directors or to any director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

7.7 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.

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 permanent form, so that they may be read with the naked eye.

9. APPOINTMENT OF DIRECTORS

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.

10. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

10.1 Any director (**Appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

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

10.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

10.3 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

11. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

11.1 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.

11.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors

and, in particular (without limitation), 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.

11.3 A person who is an alternate director but not a director:

- (a) 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);
- (b) 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
- (c) shall not be counted as more than one director for the purposes of Articles 11.3(a) and (b).

11.4 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).

11.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor but shall not be 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.

12. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- (b) 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;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a director terminates.

13. SECRETARY

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. For the avoidance of doubt the provisions of this Article shall not constitute a requirement for the Company to have a secretary.

14. SHARE CAPITAL AND SHARE RIGHTS

- 14.1 Any profits which the Company determines to distribute in respect of any financial period shall be distributed and dividends in respect thereof declared and paid amongst the holders of the Ordinary Shares as a class, and such dividend shall be divided amongst such holders pro rata according to the number of Ordinary Shares held by each of them.
- 14.2 On a return of capital whether on liquidation or capital reduction or otherwise (other than a redemption or purchase of shares made in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be divided between the holders of Ordinary Shares pro rata according to the number of Ordinary Shares held by them respectively.
- 14.3 The holder of an Ordinary Share shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and such holder who (being an individual) is present in person or by proxy or (being a body corporate) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote for each Ordinary Share held by him, and shall be entitled to vote on any written resolution of the Company.

15. VARIATION OF SHARE RIGHTS

- 15.1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutadis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 15.2 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:
- (a) any alteration in the Articles in respect of the rights attached to the class of Share concerned; and
 - (b) any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own shares in respect of the class of Share concerned or other alteration in the share capital of the Company in respect of the class of Share concerned or any of the rights attaching to the class of Share concerned.

TRANSFER OF SHARES

16. TRANSFERS - GENERAL

- 16.1 No Member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Article 16.6 and Article 20):
- (A) as permitted by Article 17 (Permitted Transfers); or
 - (B) is made in accordance with Article 18 (Pre-emption Rights) or Article 19 (Compulsory Transfers);
- 16.2 If a Member at any time commits a breach of Article 16.1 in relation to any share he shall be deemed immediately prior to such breach to have given a Transfer Notice in respect of such share.

- 16.3 For the purpose of ensuring that a particular transfer of shares is permitted under these Articles any Member may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such Member may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction of such Member within a period of 28 days after such request the directors shall, unless such Member otherwise directs, be entitled to refuse to register the transfer in question.
- 16.4 Where a Transfer Notice in respect of any share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 18 shall apply accordingly.
- 16.5 A Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 18) and shall not be revocable.
- 16.6 The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer:
- (A) of a share on which the Company has a lien;
 - (B) of a share (not being a fully paid share) to a person of whom they shall not approve.
- 16.7 If a Member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice he shall forthwith give written notice thereof to the directors.
- 16.8 The election by the Representatives of a Member to become the registered holders of any share pursuant to these Articles shall be permitted by the directors and shall not give rise to any obligation to serve a Transfer Notice in respect of such share.

17. PERMITTED TRANSFERS

- 17.1 A Member may transfer or sell Shares to any person at any time with the prior written consent of all the other holders of Ordinary Shares in issue.
- 17.2 A transfer of any Share pursuant to this Article 17 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire

legal and beneficial interest in such share, free from any lien, charge or other encumbrance.

18. PRE-EMPTION RIGHTS

- 18.1 (a) Except for a transfer of shares which is permitted under Article 17, or a transfer of shares pursuant to the provisions of Article 19, no share shall be transferred until the following conditions of this Article are complied with.
- (b) Any Member proposing to transfer a share ("**the Proposing Transferor**") shall give notice in writing ("**Transfer Notice**") to the directors that the Proposing Transferor desires to transfer such share. In the Transfer Notice the Proposing Transferor shall specify:
- (i) the number and class of shares which the Proposing Transferor wishes to transfer ("**the Transfer Shares**") (which may be all or part only of the shares then held by the Proposing Transferor);
 - (ii) the price at which the Proposing Transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price;
- (c) A Transfer Notice shall also state whether the Proposing Transferor wishes to impose a "**Total Transfer Condition**" (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition;
- (d) The Transfer Notice shall constitute the Company (by its board of directors) as the agent of the Proposing Transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a Transfer Notice may not be revoked save with the prior written consent of all the other Members. If a Proposing Transferor revokes a Transfer Notice he may not subsequently transfer the shares the subject of the Transfer Notice (or any interest therein) otherwise than in accordance with these Articles.
- 18.2 Where a Transfer Notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each such class. However, where the Proposing Transferor simultaneously serves Transfer Notices in respect of

more than one class of shares he may stipulate in such notices by reference to this paragraph of this Article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.

- 18.3 Within seven days after the receipt of any Transfer Notice the directors shall serve a copy of that Transfer Notice on all the Members other than the Proposing Transferor. In the case of a Deemed Transfer Notice the directors shall similarly serve notice on all the Members (including the Proposing Transferor), notifying them that a Transfer Notice has been deemed to have been given, within 1 month after (i) the date of the event giving rise to the Deemed Transfer Notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.
- 18.4 Subject as provided otherwise in these Articles the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("**the Transfer Price**") determined in accordance with Article 18.5.
- 18.5 The Transfer Price shall be such price as shall be agreed in writing between the Proposing Transferor and the directors or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 14 days after the service of notices pursuant to Article 18.3 the Transfer Price will be determined by the auditors or accountants of the Company at the relevant time or, in the event that the auditors or accountants are unable to act or refuse the instruction, by an independent Chartered Accountant of not less than ten years' standing who shall be nominated by agreement between all the Members or failing such nomination within 14 days after the request of any Member to the others therefor nominated at the request of any Member by the President from time to time of the Institute of Chartered Accountants in England and Wales ("**the Expert**"). The Expert shall act as an expert and not as an arbitrator and his written determination shall, save in the case of manifest error, be final and binding on the Members. The Expert shall be instructed to certify the open market value of the Transfer Shares as at the date of the Transfer Notice on the following assumptions and bases:
- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
 - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (iii) applying the bases and principles in respect of valuation as set out in the Relevant Agreement;
 - (iv) that the Transfer Shares are capable of being transferred without restriction;
 - (v) valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company without any

premium or discount being attributable to the class of the Transfer Shares, or the percentage of the issued share capital of the Company which they represent.

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares ("**the Market Value**"). The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

- 18.6 The date of determination of the Transfer Price ("**the Determination Date**") shall be, if the determination of the Transfer Price is referred to the Expert the date on which the directors receive the Expert's determination of the Transfer Price in writing or, if the Transfer Price is determined by written agreement between the Proposing Transferor and the directors, the date on which such agreement is made.
- 18.7 The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the Proposing Transferor and as to the other half by the Company
- 18.8 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those Members who at the date of the offer are registered as the respective holders of Ordinary Shares (other than (a) the Proposing Transferor and (b) any Member to whom under Article 20 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to that Member ("**Pro-Rata Entitlement**"); (c) whether or not the transfer notice contained a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the Member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase.

Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

- (a) to each Member holding Ordinary Shares who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;

- (b) if any Member holding Ordinary Shares has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to those other Members who have applied for any part of such excess in proportion to the number of shares then held by them respectively (but without allocating to any Member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any Member whose application has already been satisfied in full.

- 18.9 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the Members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.
- 18.10 If the Transfer Notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the Members. If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the Proposing Transferor and none of the Transfer Shares will be sold to the Members (except as mentioned below) pursuant to this Article. The Proposing Transferor may, subject to Article 16.6, within a period of 6 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (including any Member) at any price which is not less than the Transfer Price.
- 18.11 If, by the foregoing procedure, the directors shall receive acceptances in respect of all of the Transfer Shares the directors shall forthwith give notice in writing ("**Acceptance Notice**") to the Proposing Transferor and to the Member or Members who have agreed to purchase the same ("**Purchaser**" or "**Purchasers**") and the Proposing Transferor shall thereupon become bound upon payment of the Transfer Price to the Proposing Transferor (whose receipt shall be a good discharge to the Purchaser, the Company and the directors none of whom shall be bound to see to the application thereof) to transfer to each Purchaser those Transfer Shares accepted by him. Every Acceptance Notice shall state the name and address of each Purchaser, the number of Transfer Shares agreed to be purchased by him and a place within England and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 14 days after the date of the Acceptance Notice).
- 18.12 If the Transfer Notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid

offer(s) they shall forthwith give notice in writing of that fact to the Proposing Transferor, and the Proposing Transferor:

- (a) shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of Article 18.11 shall apply mutatis mutandis thereto; and
- (b) may, subject to Article 16.6, within a period of 6 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any Member) at any price which is not less than the Transfer Price.

18.13 If a Proposing Transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the Proposing Transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of Members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

19. COMPULSORY TRANSFERS

19.1 In this Article 19, a "**Transfer Event**" occurs in relation to any Member holding Ordinary Shares:

- (a) if that Member being an individual:
 - (i) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction; or
 - (ii) shall die; or

- (iii) in the Company's reasonable opinion, shall be unable, whether by reason of illness, accident or otherwise, to perform his duties as an employee for a period of not less than 6 calendar months or for periods amounting, in aggregate, to not less than 6 calendar months in any period of 12 consecutive calendar months;
- (iv) shall suffer from mental disorder and be admitted to hospital or shall become subject to any court order pursuant to the Mental Health Act 1983; or
- (iv) shall be convicted of any criminal offence (other than a motoring offence which does not carry the penalty of disqualification);

and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article;

- (b) if that Member shall make or offer or purport to make any arrangement or composition with his creditors generally and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article;
- (c) if that Member being a body corporate:
 - (i) shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
 - (ii) shall have an administrator appointed in relation to it; or
 - (iii) shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
 - (iv) shall have any equivalent action in respect of it taken in any jurisdiction;

and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article.

- (d) if a Member (being an individual) who is at any time a director or employee of a member of the Group shall cease to hold such office or employment (other than by circumstances falling within Articles 19.1(a)(i) to (iv) and Article 19.1(b) and does not remain or thereupon immediately become a director or employee of another member of the Group) and within the following six months the Board shall resolve that

such event is a Transfer Event in relation to that Member for the purposes of this Article.

- 19.2 Upon the making of a resolution under Article 19.1 that the same is a Transfer Event the Member in respect of whom it is a Transfer Event ("**the Relevant Member**") shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Member(s) ("**a Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.
- 19.3 Notwithstanding any other provision of these Articles, if the Board so resolves in relation to any Shares, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of Members of the Company of another person as the holder of those Shares.
- 19.4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 18 as if they were Transfer Shares in respect of which a Transfer Notice had been given and treating as the Proposing Transferor the person who is deemed to have given the Deemed Transfer Notice save that:
- (a) the Transfer Price shall be a price per Transfer Share agreed between the Relevant Member and the Board or, in default of agreement within 15 Business Days after the making of the resolution under Article 19.1 that the same is a Transfer Event, the Market Value;
 - (b) a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
 - (c) the Relevant Member may retain any Transfer Shares for which Purchasers are not found; and
 - (d) the Transfer Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.
- 19.5 For the purpose of Article 19.1(d), the date upon which a Member ceases to hold office as an employee as described therein shall:

- (a) where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice and the date (if any) for the termination expressly stated in such 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);
- (b) where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice;
- (c) where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively;
- (d) where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event; and
- (e) where a contract of employment is terminated for any reason, be the date on which the person actually ceases to be employed by the employer.

19.6 Once a Deemed Transfer Notice shall under these Articles be given in respect of any Share then no permitted transfer under Article 17 may be made in respect of such Share unless and until a Transfer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 18 shall have expired without such allocation.

20. PROHIBITED TRANSFERS

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

DECISION MAKING BY SHAREHOLDERS

21. POLL VOTES

- 21.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 21.2 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.

22. PROXIES

- 22.1 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".
- 22.2 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

23. MEANS OF COMMUNICATION TO BE USED

- 23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) 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;
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - (d) 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.

- 23.2 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 the Act.

24. INDEMNITY

24.1 Subject to Article 24.2, 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 him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his 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 him 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, in his 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 him in connection with any proceedings or application referred to in Article 24.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

24.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

24.3 In this Article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer" means any 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).

25. INSURANCE

25.1 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.

25.2 In this Article:

- (a) a "relevant officer" means any 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;
- (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) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

AAP ELECTRICAL GROUP LIMITED

Company Number: 10776218

Adopted by Special Resolution dated

21st July

2017

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF AAP ELECTRICAL GROUP LIMITED**

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Appointor: has the meaning given in Article 10.1;

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

Board: means the Company acting by its board of directors;

Business Day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

Company: means AAP Electrical Group Limited (company number 10776218);

Conflict: has the meaning given in Article 7.1;

Deemed Transfer Notice: means a transfer notice deemed to be given under any provision of these Articles;

Eligible Director(s): 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);

Group: means the Company, any subsidiary or subsidiary undertaking of the Company, any holding company of the Company and any subsidiary or subsidiary undertaking of such holding company and "Member of the Group" or "Group Company" shall be construed accordingly;

Market Value: has the meaning given in Article 18.5;

Member: means any registered holder of a Share for the time being;

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 amended prior to the date of adoption of these Articles.

Ordinary Shares: means the Ordinary Shares of £1 each in the capital of the Company;

Proposing Transferor: has the meaning given in Article 18.1;

Relevant Agreement: means an agreement in respect of the conduct of the parties in respect of the Company dated the same date as the adoption of these Articles and entered into between (1) the holders of Ordinary Shares and (2) the Company;

Relevant Member: has the meaning given in Article 19.2;

Representatives: means, in relation to a Member, any person or persons who have become entitled to his Shares in consequence of his death, bankruptcy or mental incapacity;

Shareholders: the shareholders in the Company from time to time;

Shares: shares in the share capital of the Company;

Total Transfer Condition: has the meaning given in Article 18.1;

Transfer Notice: has the meaning attributed thereto in Article 18.1 and includes, where the context admits, a Deemed Transfer Notice.

- 1.2 Save as otherwise specifically provided 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.
- 1.3 Headings in these Articles are used 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:
 - (a) any subordinate legislation from time to time made under it; and
 - (b) 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 shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.

- 1.9 Article 7 of the Model Articles shall be amended by:
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - (b) 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".
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur".
- 1.11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.14 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

DIRECTORS

2. UNANIMOUS DECISIONS

- 2.1 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.
- 2.2 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.
- 2.3 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.

3. CALLING A DIRECTORS' MEETING

- 3.1 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.

- 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, however, for the avoidance of doubt, should the Company only have one director for the time being then the provisions of Article 7(2) of the Model Articles (as amended by Article 1.9 of these Articles) shall apply.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 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. CASTING VOTE

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.

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, 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 contract or proposed contract in which he is interested;
- (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 contract or proposed contract in which he is interested;
- (d) 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;

- (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 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 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate 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 of the Act.

7. DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this Article 7 will be effective only if:
 - (a) 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;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):
 - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

7.6 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 of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

- (a) disclose such information to the directors or to any director or other officer or employee of the Company; or
- (b) use or apply any such information in performing his duties as a director,

where to do so would amount to a breach of that confidence.

7.7 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.

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 permanent form, so that they may be read with the naked eye.

9. APPOINTMENT OF DIRECTORS

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.

10. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

10.1 Any director (**Appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (a) exercise that director's powers; and
- (b) carry out that director's responsibilities,

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

10.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

10.3 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

11. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

11.1 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.

11.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors

and, in particular (without limitation), 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.

11.3 A person who is an alternate director but not a director:

- (a) 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);
- (b) 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
- (c) shall not be counted as more than one director for the purposes of Articles 11.3(a) and (b).

11.4 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).

11.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his Appointor but shall not be 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.

12. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- (b) 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;
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate's Appointor's appointment as a director terminates.

13. SECRETARY

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. For the avoidance of doubt the provisions of this Article shall not constitute a requirement for the Company to have a secretary.

14. SHARE CAPITAL AND SHARE RIGHTS

- 14.1 Any profits which the Company determines to distribute in respect of any financial period shall be distributed and dividends in respect thereof declared and paid amongst the holders of the Ordinary Shares as a class, and such dividend shall be divided amongst such holders pro rata according to the number of Ordinary Shares held by each of them.
- 14.2 On a return of capital whether on liquidation or capital reduction or otherwise (other than a redemption or purchase of shares made in accordance with these Articles) the surplus assets of the Company remaining after the payment of its liabilities shall be divided between the holders of Ordinary Shares pro rata according to the number of Ordinary Shares held by them respectively.
- 14.3 The holder of an Ordinary Share shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and such holder who (being an individual) is present in person or by proxy or (being a body corporate) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, have one vote for each Ordinary Share held by him, and shall be entitled to vote on any written resolution of the Company.

15. VARIATION OF SHARE RIGHTS

- 15.1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutadis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 15.2 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:
- (a) any alteration in the Articles in respect of the rights attached to the class of Share concerned; and
 - (b) any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own shares in respect of the class of Share concerned or other alteration in the share capital of the Company in respect of the class of Share concerned or any of the rights attaching to the class of Share concerned.

TRANSFER OF SHARES

16. TRANSFERS - GENERAL

- 16.1 No Member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Article 16.6 and Article 20):
- (A) as permitted by Article 17 (Permitted Transfers); or
 - (B) is made in accordance with Article 18 (Pre-emption Rights) or Article 19 (Compulsory Transfers);
- 16.2 If a Member at any time commits a breach of Article 16.1 in relation to any share he shall be deemed immediately prior to such breach to have given a Transfer Notice in respect of such share.

- 16.3 For the purpose of ensuring that a particular transfer of shares is permitted under these Articles any Member may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such Member may think reasonably necessary or relevant. Failing such information or evidence being furnished to the reasonable satisfaction of such Member within a period of 28 days after such request the directors shall, unless such Member otherwise directs, be entitled to refuse to register the transfer in question.
- 16.4 Where a Transfer Notice in respect of any share is deemed to have been given under any provision of these Articles and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same such Transfer Notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 18 shall apply accordingly.
- 16.5 A Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 18) and shall not be revocable.
- 16.6 The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer:
- (A) of a share on which the Company has a lien;
 - (B) of a share (not being a fully paid share) to a person of whom they shall not approve.
- 16.7 If a Member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice he shall forthwith give written notice thereof to the directors.
- 16.8 The election by the Representatives of a Member to become the registered holders of any share pursuant to these Articles shall be permitted by the directors and shall not give rise to any obligation to serve a Transfer Notice in respect of such share.
- 17. PERMITTED TRANSFERS**
- 17.1 A Member may transfer or sell Shares to any person at any time with the prior written consent of all the other holders of Ordinary Shares in issue.
- 17.2 A transfer of any Share pursuant to this Article 17 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire

legal and beneficial interest in such share, free from any lien, charge or other encumbrance.

18. PRE-EMPTION RIGHTS

- 18.1 (a) Except for a transfer of shares which is permitted under Article 17, or a transfer of shares pursuant to the provisions of Article 19, no share shall be transferred until the following conditions of this Article are complied with.
- (b) Any Member proposing to transfer a share ("**the Proposing Transferor**") shall give notice in writing ("**Transfer Notice**") to the directors that the Proposing Transferor desires to transfer such share. In the Transfer Notice the Proposing Transferor shall specify:
- (i) the number and class of shares which the Proposing Transferor wishes to transfer ("**the Transfer Shares**") (which may be all or part only of the shares then held by the Proposing Transferor);
 - (ii) the price at which the Proposing Transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares at such price;
- (c) A Transfer Notice shall also state whether the Proposing Transferor wishes to impose a "**Total Transfer Condition**" (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article none shall be so sold), but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition;
- (d) The Transfer Notice shall constitute the Company (by its board of directors) as the agent of the Proposing Transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article. Once given a Transfer Notice may not be revoked save with the prior written consent of all the other Members. If a Proposing Transferor revokes a Transfer Notice he may not subsequently transfer the shares the subject of the Transfer Notice (or any interest therein) otherwise than in accordance with these Articles.
- 18.2 Where a Transfer Notice is given in respect of more than one class of share it shall be deemed for the purposes of this Article to comprise a number of separate transfer notices, one in respect of each such class. However, where the Proposing Transferor simultaneously serves Transfer Notices in respect of

more than one class of shares he may stipulate in such notices by reference to this paragraph of this Article that any Total Transfer Condition shall apply to all of such shares and not merely to one class only.

- 18.3 Within seven days after the receipt of any Transfer Notice the directors shall serve a copy of that Transfer Notice on all the Members other than the Proposing Transferor. In the case of a Deemed Transfer Notice the directors shall similarly serve notice on all the Members (including the Proposing Transferor), notifying them that a Transfer Notice has been deemed to have been given, within 1 month after (i) the date of the event giving rise to the Deemed Transfer Notice or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event.
- 18.4 Subject as provided otherwise in these Articles the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("**the Transfer Price**") determined in accordance with Article 18.5.
- 18.5 The Transfer Price shall be such price as shall be agreed in writing between the Proposing Transferor and the directors or in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 14 days after the service of notices pursuant to Article 18.3 the Transfer Price will be determined by the auditors or accountants of the Company at the relevant time or, in the event that the auditors or accountants are unable to act or refuse the instruction, by an independent Chartered Accountant of not less than ten years' standing who shall be nominated by agreement between all the Members or failing such nomination within 14 days after the request of any Member to the others therefor nominated at the request of any Member by the President from time to time of the Institute of Chartered Accountants in England and Wales ("**the Expert**"). The Expert shall act as an expert and not as an arbitrator and his written determination shall, save in the case of manifest error, be final and binding on the Members. The Expert shall be instructed to certify the open market value of the Transfer Shares as at the date of the Transfer Notice on the following assumptions and bases:
- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser;
 - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (iii) applying the bases and principles in respect of valuation as set out in the Relevant Agreement;
 - (iv) that the Transfer Shares are capable of being transferred without restriction;
 - (v) valuing the Transfer Shares as a rateable proportion of the total value of all the issued shares of the Company without any

premium or discount being attributable to the class of the Transfer Shares, or the percentage of the issued share capital of the Company which they represent.

If any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid divided by the number of Transfer Shares ("**the Market Value**"). The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

- 18.6 The date of determination of the Transfer Price ("**the Determination Date**") shall be, if the determination of the Transfer Price is referred to the Expert the date on which the directors receive the Expert's determination of the Transfer Price in writing or, if the Transfer Price is determined by written agreement between the Proposing Transferor and the directors, the date on which such agreement is made.
- 18.7 The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the Proposing Transferor and as to the other half by the Company
- 18.8 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those Members who at the date of the offer are registered as the respective holders of Ordinary Shares (other than (a) the Proposing Transferor and (b) any Member to whom under Article 20 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively. Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares; (b) the number of Transfer Shares offered to that Member ("**Pro-Rata Entitlement**"); (c) whether or not the transfer notice contained a Total Transfer Condition and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the Member in applying for his Pro-Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase.

Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner:

- (a) to each Member holding Ordinary Shares who has agreed to purchase shares, his Pro-Rata Entitlement or such lesser number of Transfer Shares for which he may have applied;

- (b) if any Member holding Ordinary Shares has applied for less than his Pro-Rata Entitlement, the excess shall be allocated to those other Members who have applied for any part of such excess in proportion to the number of shares then held by them respectively (but without allocating to any Member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this sub-paragraph (b) without taking account of any Member whose application has already been satisfied in full.

- 18.9 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the Members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the directors shall think fit.
- 18.10 If the Transfer Notice in question contained a Total Transfer Condition then no offer of Transfer Shares made by the directors pursuant to this Article shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the Members. If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s) they shall forthwith give notice in writing of that fact to the Proposing Transferor and none of the Transfer Shares will be sold to the Members (except as mentioned below) pursuant to this Article. The Proposing Transferor may, subject to Article 16.6, within a period of 6 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (including any Member) at any price which is not less than the Transfer Price.
- 18.11 If, by the foregoing procedure, the directors shall receive acceptances in respect of all of the Transfer Shares the directors shall forthwith give notice in writing ("**Acceptance Notice**") to the Proposing Transferor and to the Member or Members who have agreed to purchase the same ("**Purchaser**" or "**Purchasers**") and the Proposing Transferor shall thereupon become bound upon payment of the Transfer Price to the Proposing Transferor (whose receipt shall be a good discharge to the Purchaser, the Company and the directors none of whom shall be bound to see to the application thereof) to transfer to each Purchaser those Transfer Shares accepted by him. Every Acceptance Notice shall state the name and address of each Purchaser, the number of Transfer Shares agreed to be purchased by him and a place within England and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 14 days after the date of the Acceptance Notice).
- 18.12 If the Transfer Notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid

offer(s) they shall forthwith give notice in writing of that fact to the Proposing Transferor, and the Proposing Transferor:

- (a) shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of Article 18.11 shall apply mutatis mutandis thereto; and
- (b) may, subject to Article 16.6, within a period of 6 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (including any Member) at any price which is not less than the Transfer Price.

18.13 If a Proposing Transferor, having become bound to transfer any Transfer Shares pursuant to this Article, makes default in transferring the same the directors may authorise some person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably and unconditionally appointed as the attorney of the Proposing Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the Proposing Transferor. The Company shall not be bound to earn or pay interest on any money so held and shall not pay such money to the proposing transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of Members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

19. COMPULSORY TRANSFERS

19.1 In this Article 19, a "**Transfer Event**" occurs in relation to any Member holding Ordinary Shares:

- (a) if that Member being an individual:
 - (i) shall have a bankruptcy order made against him or shall be declared bankrupt by any court of competent jurisdiction; or
 - (ii) shall die; or

- (iii) in the Company's reasonable opinion, shall be unable, whether by reason of illness, accident or otherwise, to perform his duties as an employee for a period of not less than 6 calendar months or for periods amounting, in aggregate, to not less than 6 calendar months in any period of 12 consecutive calendar months;
- (iv) shall suffer from mental disorder and be admitted to hospital or shall become subject to any court order pursuant to the Mental Health Act 1983; or
- (iv) shall be convicted of any criminal offence (other than a motoring offence which does not carry the penalty of disqualification);

and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article;

- (b) if that Member shall make or offer or purport to make any arrangement or composition with his creditors generally and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article;
- (c) if that Member being a body corporate:
 - (i) shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets; or
 - (ii) shall have an administrator appointed in relation to it; or
 - (iii) shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or
 - (iv) shall have any equivalent action in respect of it taken in any jurisdiction;

and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article.

- (d) if a Member (being an individual) who is at any time a director or employee of a member of the Group shall cease to hold such office or employment (other than by circumstances falling within Articles 19.1(a)(i) to (iv) and Article 19.1(b) and does not remain or thereupon immediately become a director or employee of another member of the Group) and within the following six months the Board shall resolve that

such event is a Transfer Event in relation to that Member for the purposes of this Article.

- 19.2 Upon the making of a resolution under Article 19.1 that the same is a Transfer Event the Member in respect of whom it is a Transfer Event ("**the Relevant Member**") shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by such Member(s) ("**a Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then *current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.*
- 19.3 Notwithstanding any other provision of these Articles, if the Board so resolves in relation to any Shares, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of Members of the Company of another person as the holder of those Shares.
- 19.4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale *in accordance with Article 18 as if they were Transfer Shares in respect of which a Transfer Notice had been given and treating as the Proposing Transferor the person who is deemed to have given the Deemed Transfer Notice save that:*
- (a) the Transfer Price shall be a price per Transfer Share agreed between the Relevant Member and the Board or, in default of agreement within 15 Business Days after the making of the resolution under Article 19.1 that the same is a Transfer Event, the Market Value;
 - (b) a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable;
 - (c) the Relevant Member may retain any Transfer Shares for which Purchasers are not found; and
 - (d) the Transfer Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.
- 19.5 For the purpose of Article 19.1(d), the date upon which a Member ceases to hold office as an employee as described therein shall:

- (a) where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the later of the date of that notice and the date (if any) for the termination expressly stated in such 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);
- (b) where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), be the later of the date of that notice and the date (if any) for the termination expressly stated in such notice;
- (c) where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively;
- (d) where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event; and
- (e) where a contract of employment is terminated for any reason, be the date on which the person actually ceases to be employed by the employer.

19.6 Once a Deemed Transfer Notice shall under these Articles be given in respect of any Share then *no permitted transfer under Article 17 may be made in respect of such Share unless and until a Transfer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 18 shall have expired without such allocation.*

20. PROHIBITED TRANSFERS

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

DECISION MAKING BY SHAREHOLDERS

21. POLL VOTES

- 21.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 21.2 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.

22. PROXIES

- 22.1 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".
- 22.2 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

23. MEANS OF COMMUNICATION TO BE USED

- 23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) 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;
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - (d) 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.

- 23.2 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 the Act.

24. INDEMNITY

24.1 Subject to Article 24.2, 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 him as a relevant officer:

(i) in the actual or purported execution and/or discharge of his 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 him 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, in his 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 him in connection with any proceedings or application referred to in Article 24.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

24.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

24.3 In this Article:

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

(b) a "relevant officer" means any 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).

25. INSURANCE

25.1 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.

25.2 In this Article:

- (a) a "relevant officer" means any 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;
- (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) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.