



THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BARSTON HOLDINGS LIMITED (CRN: 11268950)
(the "Company")

ADOPTED BY SPECIAL RESOLUTION DATED 10TH AUGUST 2021

1. PRELIMINARY

- 1.1 In these Articles "**Model Articles**" means the Model Articles in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No. 3229) and as otherwise amended prior to the adoption of these Articles. 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.
- 1.2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.3 Articles 9(1), 11(2), 14(1), (2), (3) and (4), 17(2), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.4 Article 7 of the Model Articles shall be amended by:
- 1.4.1 the insertion of the words "for the time being" at the end of Article 7(2)(a); and
- 1.4.2 the insertion in Article 7(2) of the words "(for so long as he remains the sole Director)" after the words "and the Director may".
- 1.5 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".
- 1.6 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".
- 1.7 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to Article 22," after the word "But".
- 1.8 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".

- 1.9 Articles 31(1)(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".

2. **PRIVATE COMPANY**

The Company is a private company within the meaning of section 4(1) of the Companies Act 2006.

3. **INTERPRETATION**

- 3.1 In these Articles unless the context otherwise requires, the following expressions have the following meanings:

Act: means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force on the date of adoption of these Articles.

A Ordinary Shares: means A ordinary shares of £1.00 each in the share capital of the Company.

A Shareholders: means the registered holders of A Ordinary Shares.

Bad Leaver: means an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver.

Board: means the board of Directors of the Company from time to time.

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

Compulsory Seller: means a Departing Employee.

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

Departing Employee: means an Employee who ceases to be a director and/or employee of any Group Company.

Director: a director for the time being of the Company.

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

Employee: means a Shareholder who is an employee of any Group Company.

Encumbrance: any interest or equity of any person (including any right to acquire, option, right of pre-emption, or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement).

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company;

Good Leaver: means an Employee who becomes a Departing Employee by reason of:

- (a) death;

- (b) permanent disability or permanent incapacity through ill-health;
- (c) ill-health (including, for the avoidance of doubt, any sickness, injury or other medical disorder or condition) which prevents the Employee from carrying out his duties under his respective employment contract for a period in excess of six months;
- (d) redundancy (as defined in the Employment Rights Act 1996);
- (e) retirement (on or after the Employee's 60th birthday); or
- (f) any other reason which the Board determines as a Good Leaver.

Group: means the Company, any subsidiary or any Holding Company from time to time of the Company, and any subsidiary from time to time of a Holding Company of the Company and each company in the Group is a "**Group Company**".

Holding Company: means a "holding company" as defined in section 1159 of the Companies Act 2006.

Loan Notes: means the unsecured loan notes constituted by the Loan Note Instrument issued to the Noteholder.

Loan Note Instrument: means the loan note instrument, named the "Primary Loan Note Instrument 2018", dated on 13 April 2018.

Market Value: the valuation of Sale Shares and/or the Compulsory Seller's Shares determined in accordance with Article 10.

Noteholder: Trevor Ian Law.

Noteholder Consent: the prior written consent of the Noteholder.

Ordinary Shares: means ordinary shares of £1.00 each in the share capital of the Company.

Ordinary Shareholders: means the registered holders of Ordinary Shares.

Paid up: means, in relation to a share, paid up or credited as paid up.

Put and Call Option Agreement: means the put and call option agreement entered into between (1) the Noteholder (2) Jonathan Hearn (3) David Kenneth Fleet and (4) the Company, dated 23 October 2018 (as varied, supplemented and/or adhered to from time to time).

Relevant Shares: in relation to a Compulsory Seller, all Shares held by the Compulsory Seller in question.

Share: means any share in the share capital of the Company and "**Shares**" shall be construed accordingly.

Shareholder Consent: the prior written consent of the Shareholder Majority.

Shareholder Majority: the holders for the time being of more than 75% by nominal value of all Shares held by Shareholders.

Shareholders: shall mean a holder of any Shares.

Termination Date: means:

- (a) where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires;
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- (d) in any other case, the date on which the employment or holding of office is terminated.

Transfer Notice: means a notice in writing given by any Shareholder to the Company where that Shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any Shares and where such notice to deemed to have been served, it shall be referred to as a "**Deemed Transfer Notice**".

Valuers: the auditors or accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants or valuers jointly appointed by the Seller and the Board or, in the absence of agreement between the Seller and the Board on the identity of the Valuer, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

- 3.2 In these Articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles.
- 3.3 In these Articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate and (in each case) vice versa.
- 3.4 In these Articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned.

4. **SHARE CAPITAL**

The rights attaching to the respective classes of Shares shall be as follows:

- 4.1 As regards dividends:

- 4.1.1 the Company may by ordinary resolution declare dividends and the Board may decide to pay interim dividends;
 - 4.1.2 dividends may be applied in paying to the holders of either or both the Ordinary Shares and/or the A Ordinary Shares as determined by voting shareholders or the Board (as applicable) and, for the avoidance of doubt, where a dividend is declared and paid on any one class no dividend shall be required to be declared and paid on the other class of Shares;
 - 4.1.3 any profits of the Company paid in respect of Ordinary Shares shall be distributed between the Ordinary Shareholders *pari passu* according to the number of such Ordinary Shares held by them respectively out of the aggregate Ordinary Shares that are then in issue; and
 - 4.1.4 any profits of the Company paid in respect of A Ordinary Shares shall be distributed between the A Shareholders *pari passu* according to the number of such A Ordinary Shares held by them respectively out of the aggregate A Ordinary Shares that are then in issue.
- 4.2 As regards voting:
- 4.2.1 Ordinary Shares and A Ordinary Shares shall confer on each holder thereof the right to receive notice of, to attend, speak and vote at all general meetings of the Company in respect of his holding of Ordinary Shares or A Ordinary Shares (as the case may be);
 - 4.2.2 on a show of hands, every Ordinary Shareholder and every A Shareholder who (being an individual) is present in person (or being a company is present by a representative) or present by proxy (not being himself an Ordinary Shareholder or A Shareholder) shall have one vote; and
 - 4.2.3 on a poll every Ordinary Shareholder and every A Shareholder who is present in person or by proxy (or being a company is present by a representative) shall have one vote for every Ordinary Share or A Ordinary Share he holds (as the case may be).
- 4.3 As regards capital, on a return of assets on liquidation, a reduction of capital or otherwise, the surplus assets of the Company shall be distributed between the Ordinary Shareholders and the A Shareholders *pari passu* according to the number of such Ordinary Shares and A Ordinary Shares held by them respectively out of the aggregate number of Ordinary Shares and A Ordinary Shares that are then in issue.
- 5. ISSUE OF NEW SHARES**
- 5.1 Save to the extent authorised by these Articles, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company.

- 5.2 Subject to this Article 5, the Board is generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the Company to:
- 5.2.1 offer or allot;
 - 5.2.2 grant rights to subscribe for or to convert any security into;
 - 5.2.3 otherwise deal in, or dispose of,
- any Shares in the Company in accordance with Articles 5.3 to 5.6.
- 5.3 The authority referred to in Article 5.2:
- 5.3.1 shall be limited to a maximum nominal amount of £1,000;
 - 5.3.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution; and
 - 5.3.3 may only be exercised for a period of five years commencing on the date of incorporation of the Company, save that the Directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).
- 5.4 In accordance with section 567 of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company.
- 5.5 Unless otherwise agreed with Shareholder Consent, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders (other than any Compulsory Seller) on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of Shares held by those holders (as nearly as possible without involving fractions). The offer:
- 5.5.1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
 - 5.5.2 may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess equity securities ("**Excess Securities**") for which he wishes to subscribe.
- 5.6 Any equity securities not accepted by Shareholders pursuant to the offer made to them in accordance with Article 5.5 shall be used for satisfying any requests for Excess Securities made pursuant to Article 5.5. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of

Shares held by the applicants immediately before the offer was made to Shareholders in accordance with Article 5.5 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Shareholders.

6. ALTERATION OF SHARE CAPITAL

- 6.1 Subject to Article 6.2, whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up, only with the consent of the holders of 75% or more of the issued Shares of that class.
- 6.2 For the purposes of Article 6.1, any amendments of the special rights and restrictions attached to the A Ordinary Shares shall also be considered an amendment to the special rights attached to the Ordinary Shares such that for the purposes of calculating whether the holders of 75% or more of the A Ordinary Shares consent, both the holders of Ordinary Shares and A Ordinary Shares shall be taken into account.

7. SHARE TRANSFERS: GENERAL

- 7.1 No Share shall be transferred, and the Board shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles.
- 7.2 The instrument of transfer of a Share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor.
- 7.3 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest of such Share free from any lien, charge or other Encumbrance.
- 7.4 Subject to the Act and without prejudice to the Company's rights in law, the Company shall, where permitted under these Articles, be authorised to purchase its own Shares with cash up to an amount in any Financial Year not exceeding the lower of:
- 7.4.1 £15,000; and
- 7.4.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of such Financial Year.

8. TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 8.1 A Shareholder who wishes to sell his Shares ("**Seller**") shall, other than where Article 8.10 (consent to waiver), Article 9 (Compulsory Transfers), Article 11 (Tag Along Rights on a Change of Control) or 12 (Drag Along Rights) applies, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying the number of Shares the Seller wishes to sell ("**Sale Shares**").

- 8.2 The Transfer Notice shall constitute the Company (acting by the Board) as the agent of the Seller for the sale of the Sale Shares comprised in the Transfer Notice at the price per Share which the Seller and the Board agree (in the absence of agreement between the Seller and the Board, the Market Value shall be used) (the "**Sale Price**"). Once the Sale Price is agreed or determined (as the case may be) ("**Determination Date**"), a Transfer Notice shall be irrevocable except with the sanction of the Board.
- 8.3 As soon as practicable following the Determination Date, the Board shall offer the Sale Shares for sale in order to the Company, the Shareholders and the External Persons (defined below) in the manner set out in Articles 8.4 to 8.10. Each offer shall be in writing and give details of the number and Sale Price of the Sale Shares offered.
- 8.4 The Board shall consider whether the Company shall purchase the Sale Shares at the Sale Price within 20 Business Days of the Determination Date ("**First Offer Period**").
- If, at the end of the First Offer Period, the Board decides on behalf of the Company not to purchase all of the Sale Shares, the balance ("**Initial Surplus Shares**") shall be dealt with in accordance with Article 8.5.
- 8.5 The Board shall offer the Initial Surplus Shares to all Shareholders (other than the Seller) at that time ("**Continuing Shareholders**"), inviting them to apply in writing within 20 Business Days of the end of the First Offer Period ("**Second Offer Period**") for the maximum number of Initial Surplus Shares they wish to buy.
- If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for the Initial Surplus Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for the Initial Surplus Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.
- If, at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance ("**Second Surplus Shares**") shall be dealt with in accordance with Article 8.6.
- 8.6 At the end of the Second Offer Period, the Board may offer the Second Surplus Shares to any person or persons whom the Board so determines at the Sale Price ("**External Persons**"). On determination of the External Persons, the Board shall invite the External Persons to apply in writing within 28 Business Days of the date of the offer ("**Third Offer Period**") for the maximum number of Second Surplus Shares they wish to buy.
- If, at the end of the Third Offer Period, the number of Second Surplus Shares applied for exceeds the number of Second Surplus Shares, the Board shall allocate the remaining Second Surplus Shares to the External Persons in such proportions as the Board determines.

- If, at the end of the Third Offer Period, the number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Board shall allocate the Second Surplus Shares to the External Persons in accordance with their applications. The balance shall be retained by the Seller and shall no longer be subject to the Transfer Notice given in respect of such Sale Shares, but may not be transferred otherwise than in accordance with the terms of these Articles.
- 8.7 If allocations under Articles 8.4 to 8.6 have been made in respect of some or all of the Sale Shares, the Board shall give written notice of allocation ("**Allocation Notice**") to the Seller and/or the Company and/or the Continuing Shareholders and/or the External Persons ("**Applicant**"). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer of the Sale Shares (which shall be no more than 20 Business Days after the date of the Allocation Notice).
- 8.8 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice.
- 8.9 If the Seller fails to comply with the requirements of the Allocation Notice:
- 8.9.1 he shall be deemed to have irrevocably appointed the chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) to be his agent and/or attorney (as determined by the Board) to, on behalf of the Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (b) receive the Consideration and give a good discharge for it; and
 - (c) (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- 8.9.2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 8.10 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the consent of the Company and Shareholders who, but for the waiver, would or might have been entitled to have such Shares offered to them in accordance with this Article.

- 8.11 Any Seller may be required to, and each Shareholder agrees to, enter into such documents as may from time to time be required by the Board to give effect to any appointment referred to in Article 8.9 in the event that such circumstances arise.

9. **COMPULSORY TRANSFERS**

- 9.1 Subject to Article 9.8, the provisions of this Article 9 shall apply to a Compulsory Seller.
- 9.2 A Compulsory Seller is deemed to have served a Deemed Transfer Notice in respect of all of his Relevant Shares ("**Compulsory Seller's Shares**"), immediately upon him being a Compulsory Seller (unless the Board otherwise directs in writing within 10 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served) and, for as long as the Compulsory Seller is a Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by that Compulsory Seller.
- 9.3 The Board has the further right to postpone any Compulsory Seller's Deemed Transfer Notice for such period as they determine.
- 9.4 The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the Compulsory Seller empowered to sell the Compulsory Seller's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the "**Transfer Price**" (as defined in Article 9.5) on the terms of this Article 9.
- 9.5 The Transfer Price for the Compulsory Seller's Shares shall be calculated as follows:
- 9.5.1 if the Compulsory Seller is a Good Leaver, the Transfer Price shall be the Market Value as at the respective Termination Date; or
 - 9.5.2 if the Compulsory Seller is a Bad Leaver, the Transfer Price shall be the nominal value of each Compulsory Seller's Share.
- 9.6 As soon as practicable following the date of the Deemed Transfer Notice ("**Determination Date**"), the Board shall offer the Compulsory Seller's Shares to the parties in accordance with the process detailed in Article 8 save for the remaining provisions of this Article 9:
- 9.6.1 a Deemed Transfer Notice shall be irrevocable;
 - 9.6.2 any reference to Sale Shares in Article 8 shall mean Compulsory Seller's Shares;
 - 9.6.3 any reference to Seller in Article 8 shall mean Compulsory Seller; and
 - 9.6.4 the final paragraph of Article 8.6 shall be replaced with the following wording:

"If, at the end of the Third Offer Period, the number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Board shall allocate the Second Surplus Shares to the External Persons in accordance with

their applications. The balance shall be retained by the Compulsory Seller and be subject to any future Deemed Transfer Notice pursuant to Article 9.2."

- 9.7 A Compulsory Seller shall have no right to dividends, distribution of assets and/or any proceeds of sale pursuant to Articles 11 or 12 (in excess of the Transfer Price) while the Compulsory Seller's Shares are held by the Compulsory Seller. Immediately upon the Compulsory Seller's Shares being transferred pursuant to Articles 9, 11 or 12, any rights attaching to the Compulsory Seller's Shares shall automatically resume upon the Company's register of members noting the removal of the Compulsory Seller as a Shareholder.
- 9.8 Notwithstanding any other provision of these Articles, if any party to the Put and Call Option Agreement becomes a Compulsory Seller due to death, the provisions of the Put and Call Option Agreement shall apply to their Relevant Shares in priority to the provisions of this Article 9.
- 9.9 Subject to Article 9.8, the provisions of this Article 9 shall, for the avoidance of doubt, apply in the event of a Compulsory Seller's death and references in Article 9 to a Compulsory Seller shall be read, as applicable, in such a way as to apply to a Compulsory's Seller's personal representatives with the intent that such provisions shall apply to any Shares held by such personal representatives.

10. **SHARE VALUATION**

- 10.1 In the absence of agreement pursuant to Article 8.2 and/or where Article 9.5.1 applies, the Board shall instruct the Valuers to certify the "**Market Value**" of the Shares in the capital of the Company. In determining the Market Value the Valuers shall value the Company on a going concern basis on the assumption of an arm's length sale of the Company between a willing seller and a willing buyer, assuming that all of such Shares are fully paid and shall apply any discount to reflect the fact that such Shares may represent a minority.
- 10.2 The Valuers shall be considered to be acting as experts and not as arbitrators and their decision shall (save in the case of manifest error) be final and binding. The reasonable costs of the Valuers shall be borne by the Company. Where the Valuers refuse to give the opinion or certificate required of them the matter shall be referred to an independent firm of chartered accountants agreed by the Shareholders or failing agreement within 5 Business Days a firm selected by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any Shareholder.

11. **TAG ALONG RIGHTS ON A CHANGE OF CONTROL**

- 11.1 Articles 11.2 to Article 11.5 shall apply if, in one or a series of related transactions, one or more Shareholders ("**Sellers**") propose to transfer ("**Proposed Transfer**") any of their Shares ("**Transfer Shares**") which would, if carried out, result in any person ("**Buyer**"), acquiring a Shareholder Majority.
- 11.2 In the event that a Buyer is to acquire a Shareholder Majority, a Seller or Sellers shall procure that the Buyer makes an offer ("**Offer**") to the remaining Shareholders ("**Minority**")

Shareholders") to purchase all of their Shares for such consideration per Share that is equal to the consideration per Share offered or paid by the Buyer for the Transfer Shares ("**Specified Price**").

- 11.3 The Offer shall be given by written notice ("**Tag Along Offer Notice**"), at least 10 Business Days ("**Tag Along Offer Period**") before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Tag Along Offer Notice shall set out:

11.3.1 the identity of the Buyer;

11.3.2 the Specified Price and other terms and conditions of payment;

11.3.3 the Sale Date; and

11.3.4 the number of Shares proposed to be purchased by the Buyer ("**Minority Offer Shares**").

- 11.4 If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with Articles 11.2 to 11.3, the Seller or Sellers shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares affected in accordance with the Proposed Transfer.

- 11.5 If the Offer is accepted by any Minority Shareholders ("**Accepting Minority Shareholder**") within the Tag Along Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Minority Offer Shares held by Accepting Minority Shareholders.

- 11.6 If any Accepting Minority Shareholder does not, on the Sale Date, execute transfer(s) in respect of all of the Minority Offer Shares held by it, the defaulting Minority Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Sellers to be his agent and/or attorney (as determined by the Board) to execute all necessary transfer(s) on his behalf as well as such other documents that are reasonably required in respect of and to give effect to those matters contemplated by Article 11.7, against receipt by the Company (on trust for such holder) of the consideration payable for the Minority Offer Shares, to deliver such transfer(s) and other documents to the Buyer (or as they may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 11.

- 11.7 Each Accepting Minority Shareholder shall unless a Shareholder Majority in writing determines otherwise:

11.7.1 pay its pro rata share (based on the aggregate proceeds to be received from the Proposed Transfer) of the reasonable expenses incurred by the Sellers directly in connection with such Proposed Transfer;

- 11.7.2 grant such warranties, covenants and undertakings as the Sellers (acting reasonably) think fit, but not so that any Accepting Minority Shareholder incurs obligations or incurs any actual or potential liabilities greater than those of the Sellers and provided that the aggregate liability of such Accepting Minority Shareholder with respect to such obligations shall not exceed the aggregate amount representing the consideration received by such Accepting Minority Shareholder for its Shares in such Proposed Transfer (subject to Article 11.7.3);
 - 11.7.3 deliver free and clear title of their Shares subject to the Proposed Transfer without restriction or any limitations; and
 - 11.7.4 be obliged to fund any indemnification or be liable for its proportion of damages or a settlement on a pro rata basis (based on the aggregate proceeds to be received from the Proposed Transfer) in respect of warranties and covenants or otherwise which have been made by such Accepting Minority Shareholder through escrow or otherwise on such basis as may be agreed between the Sellers (acting reasonably) and the Buyer, provided that the aggregate funding provided by or liability of such Accepting Minority Shareholder with respect to this obligation shall not exceed the aggregate amount representing the consideration received by such Accepting Minority Shareholder for his Shares in such Proposed Transfer.
- 11.8 Any Accepting Minority Shareholder may be required to, and each Shareholder agrees to, enter into such documents as may from time to time be required by the Board to give effect to any appointment referred to in Article 11.6 in the event that such circumstances arise.

12. **DRAG ALONG RIGHTS**

- 12.1 If a Shareholder Majority ("**Majority Shareholders**") wish to sell all of their Shares ("**Majority Shareholders' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Majority Shareholders may require all other Shareholders ("**Dragged Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**") and any sale pursuant to the exercise of this Drag Along Option shall be referred to as the "**Drag Along Sale**").
- 12.2 The Majority Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Majority Shareholders' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 12.2.1 that the Dragged Shareholders are required to transfer all of their Shares ("**Dragged Shares**") pursuant to this Article 12;
 - 12.2.2 the person to whom the Dragged Shares are to be transferred;

- 12.2.3 the consideration payable for the Dragged Shares which shall, for each Dragged Share, be an amount equal to the price per Share offered by the Proposed Buyer for the Majority Shareholders' Shares; and
- 12.2.4 the proposed date of the transfer.
- 12.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Majority Shareholders have not sold the Majority Shareholders' Shares to the Proposed Buyer within 20 Business Days of serving the Drag Along Notice. The Majority Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 12.4 Completion of the sale of the Dragged Shares shall take place on the Completion Date (as defined below). "**Completion Date**" means the date proposed for completion of the sale of the Majority Shareholders' Shares unless:
- 12.4.1 all of the Dragged Shareholders and the Majority Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Dragged Shareholders and the Majority Shareholders; or
- 12.4.2 that date is less than 10 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be 10 Business Days after service of the Drag Along Notice.
- 12.5 Within 10 Business Days of the Majority Shareholders serving a Drag Along Notice on the Dragged Shareholders, the Dragged Shareholders shall deliver stock transfer forms for the Dragged Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Dragged Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their Shares pursuant to Article 12.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Dragged Shareholders pursuant to Article 12.2.3 on trust for the Dragged Shareholders without any obligation to pay interest.
- 12.6 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article 12.2.3, the Dragged Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Dragged Shares and the Dragged Shareholders shall have no further rights or obligations under this Article 12 in respect of their Shares.
- 12.7 If any Dragged Shareholder does not, on completion of the sale of the Dragged Shares, execute transfer(s) in respect of all of the Dragged Shares held by it as well as such other documents that are reasonably required in respect of and to give effect to those matters contemplated by Article 12.9, the defaulting Dragged Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Shareholders to be his agent and/or attorney (as determined by the Board) to execute all necessary transfer(s) on his behalf and such other documents, against receipt by the

Company (on trust for such holder) of the consideration payable for the Dragged Shares, to deliver such transfer(s) and other documents to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this Article 12.

12.8 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 12 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

12.9 Each Dragged Shareholder shall unless a Shareholder Majority in writing determines otherwise:

12.9.1 pay its pro rata share (based on the aggregate proceeds to be received from the sale of the Majority Shareholders' Shares and the Dragged Shares) of the reasonable expenses incurred by such Majority Shareholders directly in connection with such Drag Along Sale;

12.9.2 grant such warranties, covenants and undertakings as the Majority Shareholders (acting reasonably) think fit, but not so that any Dragged Shareholder incurs obligations or incurs any actual or potential liabilities greater than those of the Majority Shareholders and provided that the aggregate liability of such Dragged Shareholder with respect to such obligations shall not exceed the aggregate amount representing the consideration received by such Dragged Shareholder for their Dragged Shares which are to be sold pursuant to the Drag Along Sale (subject to Article 12.9.3);

12.9.3 deliver free and clear title of their Shares without restriction or any limitations; and

12.9.4 be obliged to fund any indemnification or be liable for its proportion of damages or a settlement on a pro rata basis (based on the aggregate proceeds to be received from the Drag Along Sale) in respect of warranties and covenants or otherwise which have been made by such Dragged Shareholder through escrow or otherwise on such basis as may be agreed between the Majority Shareholders (acting reasonably) and the Proposed Buyer, provided that the aggregate funding provided by or liability of such Dragged Shareholder with respect to this obligation shall not exceed the aggregate consideration received by such Dragged Shareholder for its Shares in such Drag Along Sale.

- 12.10 Any Dragged Shareholder may be required to, and each Shareholder agrees to, enter into such documents as may from time to time be required by the Board to give effect to any appointment referred to in Article 12.7 in the event that such circumstances arise.

13. CALLING A BOARD MEETING

- 13.1 Any Director may call a Board meeting by giving reasonable notice of the meeting to the Board or by authorising the company secretary (if any) to give such notice.
- 13.2 Notice of a Board meeting must be sent to every Director, including Directors who are absent from the United Kingdom.
- 13.3 Article 9 of the Model Articles shall be modified accordingly.

14. QUORUM FOR BOARD MEETINGS

- 14.1 Subject to Articles 14.2 and 20.2, the quorum for the transaction of business at a Board meeting is any two Eligible Directors.
- 14.2 Subject to Article 20.2, where (i) all (or part) of the Loan Notes remain to be redeemed in full by the Company and (ii) the Noteholder is an Eligible Director, the quorum for the transaction of business at a Board meeting shall be one Eligible Director, being the Noteholder.

15. VOTING

- 15.1 Subject to Articles 14 and 15.2, all decisions made at any Board meeting shall be made only by resolution and resolutions at any Board meeting shall be decided by a majority of votes.
- 15.2 Where (i) all (or part) of the Loan Notes remain to be redeemed in full by the Company and (ii) the Noteholder is an Eligible Director, the Noteholder shall be entitled to exercise such number of votes at any Board meeting which is equal to one vote more than the total number of Eligible Directors participating in such a Board meeting.

16. PROCEEDINGS AT BOARD MEETINGS

- 16.1 Any Director or his alternate may validly participate in a Board meeting or a committee of Directors through the medium of conference telephone, video conference or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these Articles). Subject to the Act, all business transacted in such manner by the Board or a committee of the Directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group

of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.

- 16.2 Where (i) all (or part) of the Loan Notes remain to be redeemed in full by the Company and (ii) the Noteholder is an Eligible Director, the Noteholder shall be the chairman at each Board meeting that he attends.

17. 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 Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- 17.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 17.2 shall be an Eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
- 17.3 shall be entitled to vote at a Board meeting (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;
- 17.4 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;
- 17.5 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
- 17.6 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.

18. DIRECTORS' CONFLICTS OF INTEREST

- 18.1 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**").

- 18.2 Any authorisation under this Article 18 will be effective only if:
- 18.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Board under the provisions of these Articles or in such other manner as the Board may determine;
 - 18.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 18.2.3 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.
- 18.3 Any authorisation of a Conflict under this Article 18 may (whether at the time of giving the authorisation or subsequently):
- 18.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 18.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board meetings or otherwise) related to the Conflict;
 - 18.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict;
 - 18.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit;
 - 18.3.5 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
 - 18.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters.
- 18.4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict.
- 18.5 The Board 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.

18.6 In authorising a Conflict the Board 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:

18.6.1 disclose such information to the Board or to any Director or other officer or employee of the Company; or

18.6.2 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.

18.7 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 Board 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.

19. RECORDS OF DECISIONS TO BE KEPT

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

20. NUMBER OF DIRECTORS

20.1 Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than one.

20.2 Whensoever the minimum number of the Directors shall be one, a sole Director shall have authority to exercise all the powers and discretions by the Model Articles and by these Articles expressed to be vested in the Directors generally, and Article 14.1 shall be modified accordingly.

21. APPOINTMENT AND REMOVAL OF DIRECTORS

21.1 No person shall be or become incapable of being appointed a Director by reason of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age.

21.2 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.

22. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

22.1 Any Director ("**Appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Board, to:

22.1.1 exercise that Director's powers; and

22.1.2 carry out that Director's responsibilities,

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

22.2 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 Board.

22.3 The notice must:

22.3.1 identify the proposed alternate; and

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

23. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

23.1 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 Board as the alternate's Appointor.

23.2 Except as the Articles specify otherwise, alternate Directors:

23.2.1 are deemed for all purposes to be Directors;

23.2.2 are liable for their own acts and omissions;

23.2.3 are subject to the same restrictions as their Appointors; and

23.2.4 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 Board meetings and of all meetings of committees of Directors of which his appointor is a member.

23.3 A person who is an alternate Director but not a Director:

23.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

- 23.3.2 may participate in a unanimous decision of the Board (but only if his appointor is an Eligible Director in relation to that decision, but does not participate); and
- 23.3.3 shall not be counted as more than one Director for the purposes of Articles 23.3, 23.3.1 and 23.3.2.
- 23.4 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 Board (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
- 23.5 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.

24. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate Director's appointment as an alternate terminates:

- 24.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 24.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a Director;
- 24.3 on the death of the alternate's Appointor; or
- 24.4 when the alternate's Appointor's appointment as a Director terminates.

25. BORROWING POWERS

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

26. SECRETARY

The Board 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 Board so decide, appoint a replacement, in each case by a decision of the Board.

27. GENERAL MEETINGS

Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act.

28. POLL VOTES

- 28.1 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.
- 28.2 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.

29. PROXIES

- 29.1 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".
- 29.2 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 Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article.
- 29.3 Proxies must be deposited at the registered office of the Company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting. For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general meeting all proxy forms relating to that general meeting must be deposited at the registered office of the Company.
- 29.4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he or she were present in person.

30. SINGLE SHAREHOLDER COMPANY

If, and for so long as, the Company has only one Shareholder, the following provisions shall apply:

- 30.1 The sole Shareholder of the Company (or the proxy or authorised representative of the sole Shareholder representing that Shareholder at the relevant general meeting) shall be the chairman of any general meeting of the Company and Article 39 of the Model Articles shall be modified accordingly.

- 30.2 All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a Company which has only one Shareholder.

31. **SHARES**

The Company may issue nil or partly paid shares.

32. **LIEN, CALLS ON SHARES AND FORFEITURE**

- 32.1 The Company has a lien (the "**Company's Lien**") over every share (whether fully paid up or not) which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

- 32.2 The provisions of Articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those Articles to a 'member' or 'members' shall be deemed to be references to a 'shareholder' or 'shareholders' (as the case may be).

32.3 Enforcement of the Company's Lien

- 32.3.1 Subject to the provisions of this Article 32.3, if:

- (a) a Lien Enforcement Notice has been given in respect of a share; and
 - (b) the person to whom the notice was given has failed to comply with it,
- the company may sell that share in such manner as the directors decide.

32.3.2 A Lien Enforcement Notice:

- (a) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- (b) must specify the share concerned;
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
- (d) must be addressed either to the holder of the share or to a transmittee of that holder; and
- (e) must state the company's intention to sell the share if the notice is not complied with.

32.3.3 Where shares are sold under this Article 32.3:

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

32.3.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and
- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice.

32.3.5 A statutory declaration by a director that the declarant is a director and that a share has been sold to satisfy the Company's Lien on a specified date:

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.

32.4 Call Notices

32.4.1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "**Call Notice**") to a shareholder requiring the shareholder to pay the company a specified sum of money (a "**Call**") which is payable to the company at the date when the directors decide to send the Call Notice.

32.4.2 A Call Notice:

- (a) may not require a shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;
- (b) must state when and how any Call to which it relates is to be paid; and
- (c) may permit or require the Call to be made in instalments.

- 32.4.3 A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 32.4.4 Before the Company has received any Call due under a Call Notice the directors may:
- (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the shareholder in respect of whose shares the Call is made.
- 32.4.5 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:
- (a) on allotment;
 - (b) on the occurrence of a particular event; or
 - (c) on a date fixed by or in accordance with the terms of issue.
- 32.5 Forfeiture
- 32.5.1 If a person is liable to pay a Call and fails to do so by the Call payment date:
- (a) the directors may issue a notice of intended forfeiture to that person; and
 - (b) until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate.
- 32.5.2 A notice of intended forfeiture:
- (a) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;
 - (b) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;
 - (c) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);
 - (d) must state how the payment is to be made; and

- (e) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

33. MEANS OF COMMUNICATION TO BE USED

- 33.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- 33.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 33.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 33.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied;
- 33.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; or, if earlier,
- 33.1.5 as soon as the member acknowledges actual receipt.

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

- 33.2 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.
- 33.3 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called.

34. INDEMNITY

- 34.1 Subject to Article 34.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

34.1.1 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:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) 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

34.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 34.1, 34.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

34.2 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.

34.3 In this Article:

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

34.3.2 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

35. **INSURANCE**

35.1 The Board 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.

35.2 In this Article:

35.2.1 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);

- 35.2.2 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
- 35.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.