

Company Number 11906926

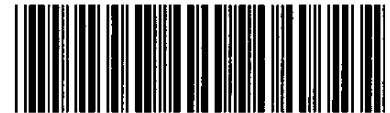
PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

ATM GROUP SERVICES LIMITED ("Company")

TUESDAY



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25/02/2020

#85

COMPANIES HOUSE

21 February 2020 ("Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following special resolution be passed by the Company's members ("Resolution"):

**SPECIAL RESOLUTION**

1. **THAT** the Company's existing articles of association in the form and with the rights attaching thereto be deleted in their entirety and replaced with a newly adopted set of articles of association attached to this resolution in the form and with such rights attaching thereto as set out therein.

Please read the notes at the end of this document before signing your agreement to the Resolution.

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

Signed by **CLIVE FREEMAN**

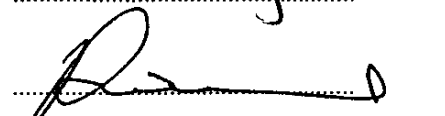
Date:



21 February 2020

Signed by **ROBERT WHAMOND**

Date:

  
21 February 2020

## INFORMATION FOR MEMBERS

1. You have the option to agree to all of the Resolutions set out above or none of them. You cannot agree to some of the Resolutions but not others. If you agree to all of the Resolutions, you must signify your agreement by signing and dating this document (in the space provided above) and returning this document to the Company.

Your agreement, once signified, cannot be revoked.

2. 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.
3. Unless within 28 days of the Circulation Date, sufficient agreement has been received for the Resolutions to pass, they 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 agreement of the senior holder who signifies agreement 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.

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**ARTICLES OF ASSOCIATION**

**OF**

**ATM GROUP SERVICES LIMITED**

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Raworths LLP  
Eton House  
89 Station Parade  
Harrogate  
HG1 1HF

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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**ATM GROUP SERVICES LIMITED ("Company")**

**Company number: 11906926**

**Adopted by special resolution passed on** 21<sup>st</sup> February **2020.**

**INTRODUCTION**

**1. INTERPRETATION**

**1.1** In these Articles, unless the context otherwise requires:

**Act:** means the Companies Act 2006;

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

**Auditors:** means the auditors (or accountants) from time to time of the Company;

**Board:** means all the directors of the Company from time to time;

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

**Connected Person:** shall have the meaning ascribed to it in section 839 of the Income and Corporation Taxes Act 1988;

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

**Family Relation:** means the spouse, co-habiting partner, civil partner, widow or widower of a Shareholder for the time being, the parents and all lineal descendants of that Shareholder (including for this purpose any step-child, adopted child or illegitimate child of the Shareholder or his lineal descendants) or any person who for the time being is married to or is the civil partner of any such lineal descendant;

**Family Trust:** means a trust (whether arising under a settlement, declaration or trust, testamentary disposition or on an intestacy) under which the only persons being (or capable of being) beneficiaries are the individual beneficial owner of the Shares held in trust and/or his Family Relations, and no power of control over the voting powers

conferred by such Shares is exercisable at any time by or subject to the consent of any person other than the trustees as trustees or such individual beneficial owner or his Family Relations;

**Group:** means the Company and its subsidiary undertakings from time to time and references to a “**member of the Group**” or a “**Group member**” shall be construed accordingly;

**Member:** means a holder of any Share in the capital of the Company as stated in its register of members from time to time;

**Model Articles:** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles;

**Shareholder:** means any registered holder of a Share;

**Shares:** means the issued shares in the capital of the Company; and

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

- 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 In these Articles words denoting the singular include the plural and vice versa, and a reference to any gender includes a reference to all other genders.
- 1.8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.9 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.10 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".
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.12 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".
- 1.13 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.14 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".
- 1.15 Articles 31(1)(a) to (c) (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". Article 31(1)(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors 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 Directors 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 3 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 the remaining provisions of this Article 4, the quorum for the transaction of business at a meeting of directors shall be any two Eligible Directors.

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.

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

**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**

6.1 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.

6.2 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under Article 6.1.

6.3 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 and Articles 6.1 and 6.2, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement 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) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other 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 and any other interested director's vote had not been counted.

Save where there is a sole director, in which case such sole director shall be deemed to be authorised.

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 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 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. NUMBER OF DIRECTORS**

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.

**10. 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.

**11. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

11.1 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.

11.2 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.

11.3 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.

**12. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

12.1 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.

12.2 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.

12.3 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 12.3(a) and (b).

12.4 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

12.5 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.

**13. 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.

#### **14. 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.

#### **SHARE CAPITAL**

##### **15. ISSUE OF NEW SHARES**

15.1 Subject to these Articles and without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.

15.2 For the purposes of section 551 of the Act, but subject to the provisions of these Articles, the directors are generally and unconditionally authorised to exercise any powers of the Company to:

- (a) offer or allot Shares;
- (b) grant rights to subscribe for or to convert any security into Shares (**Rights**); and
- (c) otherwise deal in, or dispose of Shares or Rights,

up to a maximum of 1,000 Shares at any time or times during the period of five years from the date of adoption of these Articles.

15.3 No new Shares shall be issued unless they are first offered to the existing holders of Shares in proportion (as nearly as may be) to the nominal amount of their existing holdings of Shares. The offer shall be made by written notice specifying the number of Shares offered and the price per Share and limiting a time of 20 Business Days within which the offer, if not accepted, will be deemed to be declined. After the expiration of such time, or on the receipt of an indication from the person(s) to whom the offer is made that he/they decline(s) to accept the Shares offered or any of them, the directors shall offer the Shares declined in like manner (save that the minimum period for acceptance may be 5 Business Days) to the other holders of Shares who have agreed to invest in all the Shares offered to them in proportion (as nearly as may be) to the nominal amount of their existing holdings of Shares. If the Shares comprised in such further offer are declined, or deemed to be declined, the further offer shall be withdrawn.

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15.4 If all or any of the Shares to which Article 15.3 applies are not taken up in accordance with the provisions of Article 15.3 the directors may offer such Shares to a third party (to be approved by the holders of 75% of the Shares, such approval not to be unreasonably withheld or delayed) and, subject to these Articles such Shares shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that:

- (a) no Shares shall be issued at a discount;
- (b) no Shares to which Article 15.3 applies shall be issued more than 40 Business Days after the expiry of the period for acceptance of the last offer of such Shares made under Article 15.3 unless the procedure set out in Article 15.3 is repeated in respect of such Shares;
- (c) no Shares shall be issued at a price less than that at which they were offered to the members of the Company in accordance with Article 15.3; and
- (d) if the directors are proposing to issue such Shares wholly or partly for non-cash consideration, the cash value of such consideration shall be as reasonably determined by the Auditors whose determination shall be final and binding on the Company and each of its members.

## 16. TRANSFERS OF SHARES

### 16.1 Group transfers

- (a) Any Shares held by an undertaking (**Original Undertaking**) may be transferred to any other undertaking (**Transferee Undertaking**) which is a holding company or a subsidiary of the Original Undertaking or of its holding company (**Group Undertaking**).
- (b) If any Transferee Undertaking ceases to be a Group Undertaking in relation to the Original Undertaking then such Transferee Undertaking shall within seven days of such cessation transfer any Shares held by it to the Original Undertaking or to an undertaking which, in relation to the Original Undertaking, is a Group Undertaking.
- (c) In the event of any default of Articles 16.1(a) and 16.1(b) above, the Original Undertaking or (as the case may be) the Transferee Undertaking shall be deemed to have served a Transfer Notice in respect of all such Shares and the price for such Shares shall be the issue price (including any premium).

### 16.2 Nominees

- (a) Any Shares may be transferred by their beneficial owner (**Beneficial Owner**) to a person shown to the reasonable satisfaction of the directors to be a nominee for the Beneficial Owner only.



- (b) Where any Shares have been transferred to a nominee pursuant to Article 16.2(a) any such nominee may transfer any Shares so transferred to the Beneficial Owner or to another person shown to the reasonable satisfaction of the directors to be a nominee for the Beneficial Owner only.
- (c) Where a person to whom any Shares have been transferred as a nominee pursuant to this Article 16.2 ceases to hold such Shares as nominee for the Beneficial Owner only he shall forthwith transfer such Shares to the Beneficial Owner or to another person shown to the reasonable satisfaction of the directors to be a nominee for the Beneficial Owner only and in default of doing so he shall be deemed to have given a Transfer Notice in respect thereof provided that the price shall be the issue price (including any premium).

### 16.3 *Transfers to Family Relations and Family Trusts*

- (a) Any Shareholder (or the legal personal representatives of a deceased Shareholder) (**Original Transferor**) may at any time transfer all or some of the Shares held by him to a Family Relation or the trustees of his Family Trust.
- (b) The trustees of a Family Trust may, on change of trustees, transfer Shares held by them in their capacity as trustees to the new trustees of that Family Trust.
- (c) The trustees of a Family Trust may also transfer any of the Shares held by them in that capacity to a person who has an immediate beneficial interest under the Family Trust.
- (d) In the event of the death of any Shareholder, or a Shareholder who is diagnosed as lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding, who would otherwise have been entitled to take the benefit of this Article 16.3, his personal representative(s) or authorised representative(s) shall be entitled to make any such transfers to any persons as would have been permitted by the deceased or incapacitated Shareholder.
- (e) Where Shares are held:
  - (i) by a trustee or trustees of a Family Trust; or
  - (ii) by one or more Family Relations of the Original Transferor,
 and any such person ceases (otherwise than on the death of the Original Transferor) to be:
  - (i) in the case of (a) above, a trustee of the Family Trust of the beneficial owner of the Shares; or
  - (ii) in the case of (b) above, a Family Relation of the Original Transferor,

such person will, on or before the cessation, transfer such Shares to a transferee permitted under Article 16.3 (as the case may be) or to the Original Transferor.

- (f) If a Shareholder fails or refuses to execute and deliver any transfer in respect of any Shares in accordance with Articles 16.1 to 16.3, the directors may authorise any director or any other person to execute and deliver the necessary transfer(s) on the defaulting Shareholders behalf. The directors shall authorise the registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as the registered holder of such Shares shall not be affected by any irregularity in or invalidity of such proceedings, which shall not be questioned by any Shareholder.

#### 16.4 Pre-emption

Except in the case of a transfer permitted by Articles 16.1, 16.2 and 16.3 or a transfer pursuant to a transfer notice deemed to have been given in accordance with Articles 16.1(c) or 16.2(c), the right to transfer or otherwise dispose of a Share or any interest in or arising from a Share (or an option, warrant or other like right to acquire any Share (whether by subscription or otherwise) being deemed to be an interest in a Share for this purpose) shall be subject to the following restrictions and provisions, namely:

- (a) A Member (**Seller**) wishing to transfer shares in the capital of the Company (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other Members, excluding any Member whose shares are, at the date of the Transfer Notice, the subject of a deemed Transfer Notice under these Articles (**Continuing Members**), specifying the details of the proposed transfer, including:
  - (i) the number of Sale Shares comprised within the Transfer Notice, being the whole or part of his shareholding;
  - (ii) the identity of the proposed buyer(s) (if any); and
  - (iii) each Continuing Member's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of ordinary shares held by him bears to the total number of ordinary shares held by the Continuing Members (in respect of each Continuing Member, his **Entitlement**).
- (b) Following service of a Transfer Notice the Members shall endeavour to agree a price for each of the Sale Shares. If the Members have not agreed such a price within ten Business Days of the date of the Transfer Notice they (or any of them) shall immediately instruct the Valuers to determine the value of each Sale Share in accordance with Article 16.4(c).

- (c) The value of each Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (i) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent;
  - (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (iii) the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - (iv) the shares are sold free of all restrictions, liens, charges and other encumbrances; and
  - (v) the sale is taking place on the date the Valuers were requested to determine the value of each Sale Share.
- (d) Within 10 Business Days of agreement of the Sale Price or in the absence of agreement within 10 Business Day of receipt of the Valuers' determination of the Sale Price, the directors shall hold a board meeting to determine if the Company shall purchase any of the Sale Shares at the Sale Price. If the directors determine that it is in the Company's best interests so to do then the directors shall take all steps necessary for the Company to purchase such number of the Sale Shares in accordance with the Act as soon as possible.
- (e) If the directors do not resolve that the Company buys all the Sale Shares then within 10 Business Days of the expiry of the period set out in Article 16.4(d) or resolution of the directors not to buy the shares (whichever is sooner) a Continuing Member shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase a specified number of Sale Shares at the Sale Price. A Continuing Member may, in his Acceptance, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**).
- (f) If, on the expiry of the relevant 10 Business Day period referred to in Article 16.4(e), the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Member shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Members applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares held by such Continuing Members.



- (g) Completion of those Sale Shares accepted by Continuing Members under Article 16.4(e) (and, where, relevant, Article 16.4(f)) shall take place 25 Business Days after the date of delivery of determination of the Sale Price in accordance with Article 16.4(b). At such completion:
- (i) the Seller shall deliver, or procure that there is delivered to each Continuing Member who is to purchase Sale Shares, a duly completed stock transfer form (or in the case of a purchase of own shares by the Company a share buyback agreement) transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Continuing Members or the Company may reasonably require to show good title to the shares, or to enable him to be registered as the holder of the shares or to complete the buyback as the case may be;
  - (ii) each relevant Continuing Member (or the Company) shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between a Continuing Member or the Company and the Seller); and
  - (iii) if, following a sale of Shares, the Seller holds no further shares in the Company the Seller shall deliver, or procure that there are delivered to the Company, his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares.
- (h) Any transfer of Shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee.
- (i) If any Continuing Member or the Company fails to pay the Sale Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to 5% per annum above the base rate of National Westminster Bank Plc from time to time.
- (j) Each of the Continuing Members shall procure (so far as is lawfully possible in the exercise of his rights and powers as a Shareholder of the Company) the registration (subject to due stamping by the Continuing Member) of the transfers of the Sale Shares under Article 16.4(g) and each of them consents to such transfers and registrations.
- (k) In the event of a sale pursuant to Article 16.4(g) and the Seller refuses to sign or deliver a duly executed stock transfer form in respect of the Shares to be sold, then the Company may appoint some person to execute the

relevant stock transfer forms or share purchase agreement on behalf of and as attorney for the Seller, and the board shall approve the transfer and order the entry of the name of the purchasing Member in the register of members of the Company. The validity of the proceedings will not be questioned by any person and the purchase monies shall be held on trust for the Seller by the Company.

- (l) In relation to any Sale Shares not accepted by Continuing Members under Article 16.4(e) (and, where relevant, Article 16.4(f)), the Seller shall be entitled to transfer those Sale Shares to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price.

#### 17. DRAG ALONG/TAG ALONG RIGHTS

- 17.1 No sale or transfer of a Share or Shares shall be made or registered if the same would result in a person or persons acting in concert who are not Members at the date of adoption of these Articles (**Purchasing Group**) holding or increasing their shareholding in the Company to 50% or more of the Shares, unless before the sale is made or the transfer is lodged for registration, the Purchasing Group has made a written offer, which shall have remained open for at least 21 days, to purchase all the Shares in issue immediately before such sale or transfer at the Third Party Price.
- 17.2 For the purposes of this Article 17, the expression "**Third Party Price**" shall mean the price per Share which has been offered for each Share whose proposed transfer has led to the offer. In the event of disagreement as to the Third Party Price the matter shall be referred to the Auditors (acting as experts and not as arbitrators) for determination. The costs of the Auditors shall be borne equally by the parties concerned and their decision shall be final and binding.
- 17.3 If transfers under Article 17.1 result in members of the Purchasing Group holding or increasing their shareholding to 50% or more of the Shares, the members of the Purchasing Group may by written notice to the Company served within 30 days after the last of such transfers require the Company as agent for the Purchasing Group to serve notices (each a **Compulsory Purchase Notice**) on each of the other Members holding Shares (**Minority Shareholders**) requiring them to sell their Shares to one or more persons identified as members of the Purchasing Group at the Third Party Price (provided that if the Third Party Price is based on consideration paid or agreed to be paid pursuant to a transaction between Connected Persons or between persons acting in concert, the consideration payable shall, if higher, be the Fair Value certified in accordance with Article 17.6). The Company shall serve the Compulsory Purchase Notices forthwith and for 28 days from the service of the Compulsory Purchase Notices the Minority Shareholders shall not be entitled to transfer their Shares to anyone except the Purchasing Group or persons identified by them.
- 17.4 The Purchasing Group shall complete the purchase of all the Shares in respect of which a Compulsory Purchase Notice has been given at the same time and, in any event, no later than 21 days after the date of the service of such Compulsory Purchase Notices. The consideration shall be payable in full without any set off. Any transfer pursuant to a Compulsory Purchase Notice shall not require the proposing transferor

to give a Transfer Notice. The directors shall not register any transfer, and no member of the Purchasing Group shall be entitled to exercise or direct the exercise of any rights in respect of any Shares to be transferred pursuant to this Article 17.4, until in each case the member of the Purchasing Group has fulfilled all his obligations pursuant to this Article 17.4.

17.5 If on the expiration of 28 days after the service of the Compulsory Purchase Notices a Minority Shareholder has not transferred his Shares to any member of the Purchasing Group against payment of the price for them, the directors may authorise some person to execute and deliver on his behalf any necessary transfer in favour of the relevant member(s) of the Purchasing Group and the directors shall receive the consideration in respect of such Shares and shall (subject to the transfer being duly stamped) cause the name of the relevant member(s) of the Purchasing Group to be entered into the register of members of the Company as the holder of the relevant Shares. The Company shall hold the consideration in trust for the Minority Shareholder but shall not be bound to earn or pay interest on it. The receipt of the Company for the consideration shall be a good receipt for the price of the relevant Shares, but the Purchasing Group shall not be discharged from procuring that the Company applies the money in payment to the Minority Shareholder against delivery by the Minority Shareholder of the certificate in respect of the Shares or an indemnity in respect of the same. After the name of the member of the Purchasing Group has been entered in the register of members of the Company in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

17.6 For the purposes of Article 17.3, the “Fair Value” shall be the price certified by the Auditors acting as experts and not as arbitrators, to be the value of the relevant Shares at the relevant time (calculated in accordance with Article 17.4(c) but taking into account, if such be the case, any discount that might attach to such Shares if they constitute a minority interest, any restriction on the Shares as to their participation in a distribution of assets or retained profits and any transfer restrictions which apply to the Shares pursuant to these Articles). The costs of the Auditors shall be borne as determined by the Auditors.

## **18. PURCHASE OF OWN SHARES**

18.1 Subject to the Act but without prejudice to any other provisions of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company’s fully paid share capital at the beginning of each financial year of the Company.

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## **DECISION MAKING BY SHAREHOLDERS**

### **19. POLL VOTES**

- 19.1 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.
- 19.2 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.

### **20. PROXIES**

- 20.1 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".
- 20.2 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**

### **21. DISTRIBUTIONS AND DIVIDENDS POLICY**

- 21.1 For each distribution by way of dividend out of the profits of the Company in relation to each Financial Year, the directors shall not be obliged to provide dividend certificates or vouchers to the Shareholders.

### **22. MEANS OF COMMUNICATION TO BE USED**

- 22.1 Subject to Article 22.2, any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- (a) if properly addressed and sent by pre-paid 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);
  - (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, if deemed receipt under the previous paragraphs of Article 22.1 would occur outside business hours (meaning 9.00am to 5.30pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

- 22.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

## **23. INDEMNITY AND INSURANCE**

- 23.1 Subject to Article 23.2, 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 23.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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- 23.2 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.
- 23.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 23.4 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(b) of the Act)) but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor); and
  - (c) 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.