

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

PIGEON (JACKS HATCH) LIMITED

(Company number 13440245)

(Adopted by special resolution passed on 30 July 2021)

1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Allocation Notice: has the meaning given in article 18.8;

Applicant: has the meaning given in article 18.8;

Appointor: has the meaning given in article 11.1;

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

Board: means the board of directors of the company;

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

Buyer: has the meaning given in article 21.2;

Called Shareholders: has the meaning given in article 22.1;

Called Shares: has the meaning given in article 22.1;

Conflict: has the meaning given in article 7.1;

Connected Corporate Body: means a corporate body directly or indirectly either wholly owned by an Original Shareholder or jointly owned by an Original Shareholder and any of his Privileged Relations.



Consideration: has the meaning given in article 18.8;

Continuing Shareholders: has the meaning given in article 18.6;

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provisions of these Articles;

Drag Along Notice: has the meaning given in article 22.2;

Drag Along Option: has the meaning given in article 22.1;

Drag Shareholders: has the meaning given in article 22.1;

Drag Shares: has the meaning given in article 22.1;

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

Eligible Investor Director: means an Eligible Director appointed by the Shareholders (if any);

Eligible PIML Director: means an Eligible Director appointed by PIML (if any);

Fair Value: in relation to Shares, as determined in accordance with article 20;

Family Trusts: in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder ("the **"Settlor"**) and/or the Settlor's Privileged Relations;

First Offer Period: has the meaning given in article 18.6;

Group: in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group;

Initial Surplus Shares: has the meaning given in article 18.6;

Interested Director: has the meaning given in article 7.1;

Investor Directors: means the directors appointed by the Shareholders;

Minimum Transfer Condition: has the meaning given in article 18.2.4;

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;

New Shareholder: has the meaning given in article 22.10;

Original Shareholders: means:-

- (a) the holders of the Shares as at the date of the adoption of these Articles (including for the avoidance of doubt the recipient of any Shares issued or transferred on, or pursuant to rights granted on, the date of adoption of these Articles) except that in relation to TWS Developments Limited and Hilborough Developments Limited shall mean William Stanton and William van Cutsem respectively, or,
- (b) where a transfer of Shares to a person who is not a Permitted Transferee has taken place pursuant to the terms of these Articles, that transferee or,
- (c) where Shares are issued to a holder after the date of the adoption of these Articles, the person to whom such Shares are issued or such other person determined by the company as at the date of the issue of Shares in the event the holder is a corporate vehicle or the trustees of a Family Trust, SIPP or SSAS,

and **Original Shareholder** means any one of them;

Permitted Transfer: a transfer of Shares in accordance with article 17;

Permitted Transferee: means

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Family Trusts, trustees of those Family Trusts, to any SIPP or SSAS in which that Shareholder is a member (or to the trustees of any such pension fund), to a Connected Corporate Body;
- (b) in relation to a Shareholder which is a corporate body, any member of its Group, any of its Sister Companies, its Ultimate Beneficial Shareholder, any of the

Ultimate Beneficial Shareholder's Privileged Relations or a SIPP or SSAS (or the trustees or any such pension fund) in which the Ultimate Beneficial Owner of the Shareholder is a member; and

- (c) in relation to Shareholder who is a trustee of trust, SIPP or SSAS, to a beneficiary or member of such trust, SIPP or SSAS, to a Privileged Relation of such beneficiary or member or to a corporate body in relation to which a beneficiary or member of such trust, SIPP or SSAS or his Privileged Relations are the Ultimate Beneficial Shareholder.

PIML: means Pigeon Investment Management Limited (Company number 06287005)

PIML Directors: means the directors appointed by PIML;

Privileged Relation: the spouse, civil partner, widow or widower of the person concerned and the relevant individual's children and remoter issue (including step and adopted children);

Proposed Buyer: has the meaning given in article 22.1;

Proposed Sale Price: has the meaning given in article 21.2.2;

Relevant Officer: means any director or other officer or former director or other officer of the company, but excluding in each case any person engaged by the company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor;

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;

Sale Shares: has the meaning given in article 18.2.1;

Shares: means shares of any class in the capital of the company from time to time;

Second Offer Period: has the meaning given in article 18.7;

Second Surplus Shares: has the meaning given in article 18.7;

Seller: means a Shareholder who wishes to transfer Shares;

Selling Shareholder: has the meaning given in article 21.1;

Shareholder: means a holder of a Share in the company;

Sister Company: means a corporate body directly or indirectly owned (either solely or together with Privileged Relations) by the same Ultimate Beneficial Shareholder;

Tag Along Notice: has the meaning given in article 21.2;

Tag Along Shareholders: has the meaning given in article 21.2

Transfer Notice: has the meaning given in article 18.2;

Transfer Price: has the meaning given in article 18.2.3;

Transferring Shareholder: has the meaning given in article 17.1;

Ultimate Beneficial Shareholder: means the person who is the direct or indirect owner (either solely or together with his Privileged Relations) of the whole of the relevant corporate body;

Valuers: the accountants for the time being of the company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Shareholders or, in the absence of agreement between the Shareholders on the identity of the expert within 14 Business Days of a Shareholder serving details of a suggested expert on the other, 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).

- 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" or "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - 1.5.1 any subordinate legislation from time to time made under it; and
 - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 1.9 Article 7 of the Model Articles shall be amended by:
 - 1.9.1 The insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 1.9.2 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".
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".

- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words", subject to article 10," after the word "But".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2), " after the words "the transmittee's name".
- 1.14 Articles 31(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(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".
- 1.15 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.
- 1.16 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".
- 1.17 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.
- 1.18 Reference in these Articles to a "transfer" of a Share shall include (without limitation) any transfer of, or the grant of any interest in or an option to acquire, the whole or part of either or both of the legal and beneficial ownership in a Share or including (without limitation):

1.18.1 any sale or other disposition or grant of any legal or equitable interest in a Share (including without limitation any sale or other disposition or grant of any voting right attached to a Share) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and

1.18.2 the creation of any charge or other encumbrance over a Share.

2. UNANIMOUS DECISIONS

2.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

2.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

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

3. CALLING A DIRECTORS' MEETING

3.1 Any director may call a directors' meeting by giving not less than five 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 Articles 4.2 and 4.3, the quorum for the transaction of business at a meeting of directors is any one Eligible Investor Director (or their alternate director) and any one Eligible PIML Director (or their alternate director).

4.2 If there are no Eligible Investor Directors quorum shall be any two Eligible Directors. If there are no Eligible PIML Directors quorum shall be any two Eligible Directors.

4.3 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.

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

4.4.1 to appoint further directors; or

4.4.2 to call a general meeting so as to enable the Shareholders to appoint further directors.

5. DEADLOCK

5.1 There is a deadlock if a resolution is proposed and one of the following applies:

5.1.1 at a properly convened meeting of the Board there is no quorum at the meeting and no quorum at the meeting when it is reconvened following an adjournment; or

5.1.2 on a directors' resolution, all Eligible Investor Directors or all Eligible PIML Directors vote against or abstain from voting on the resolution (unless one of their number proposed the resolution).

5.2 There is no deadlock if a meeting, or adjourned meeting, is inquorate because the person who proposed the resolution does not attend.

5.3 Any Shareholder may within 3 Business Days of the meeting at which the deadlock arises or within 3 Business Days of the date of the resolution in respect of which the deadlock arises (as the case may be) (the first day being the day after the meeting or the date of the resolution, as the case may be) serve notice on the other Shareholders ("Deadlock Notice"):

5.3.1 stating that in their opinion a deadlock has occurred; and

5.3.2 identifying the matter giving rise to the deadlock.

5.4 The Shareholders shall on the date of service of the Deadlock Notice, if there is an Investor Director and a PIML Director who were not present at the meeting at which

the deadlock arose, refer the matter giving rise to the deadlock to any such Investor Director and any such PIML Director for resolution and use all reasonable endeavours in good faith to resolve the dispute.

- 5.5 If a deadlock occurs and is not resolved in accordance with article 5.4 within 10 Business Days from the date the deadlock matter is referred to an Investor Director and PIML Director under article 5.4, or if there are no persons to refer it to under article 5.4, then the Eligible PIML Directors together shall have an additional casting vote on any directors' resolution proposed on the matter giving rise to the deadlock.

6. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 6.1 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 Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
 - 6.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
 - 6.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
 - 6.1.4 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;

- 6.1.5 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
- 6.1.6 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.

7. DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The directors may, in accordance with the requirements set out in this article 7, 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:
- 7.2.1 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 directors under the provisions of these Articles or in such other manner as the directors may determine;
- 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- 7.2.3 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.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):

- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- 7.3.2 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;
- 7.3.3 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;
- 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- 7.3.5 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
- 7.3.6 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

The minimum of directors shall be two but shall not be subject to any maximum.

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:

11.1.1 exercise that director's powers; and

11.1.2 carry out that director's responsibilities,

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

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:

11.3.1 identify the proposed alternate; and

11.3.2 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.

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 decisions of the directors as the alternate's appointor.

12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be directors;

12.2.2 are liable for their own acts and omissions;

12.2.3 are subject to the same restrictions as their appointors; and

12.2.4 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 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:

12.3.1 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);

12.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision, but does not participate); and

12.3.3 shall not be counted as more than one director for the purposes of articles 12.3.1 and 12.3.2.

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

13.1 An alternate director's appointment as an alternate terminates:

13.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

13.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

13.1.3 on the death of the alternate's appointor; or

13.1.4 when the alternate's appointor's appointment as a director terminates.

14. SHARE CAPITAL

14.1 The issued share capital of the company is divided into ordinary shares of £1.00 each.

14.2 Except as otherwise provided in these Articles the ordinary shares shall rank pari passu in all respects.

14.3 In accordance with section 569 of the Act, the directors of the company are generally empowered to allot equity securities (as defined in section 560 of the Act) as if section 561(1) of the Act does not apply to any such allotment.

15. PURCHASE OF OWN SHARES

15.1 Subject to the Act but without prejudice to any other provision of these Articles, the company may purchase its own Shares with cash up to any amount in a financial year not exceeding the lower of:

15.1.1 £15,000; and,

15.1.2 the value of 5% of the company's share capital.

16. RESTRICTION ON TRANSFERS

No Share shall be transferred, and the directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles.

17. PERMITTED TRANSFERS

17.1 A Shareholder (the "Transferring Shareholder") may transfer all or any of his or its Shares to a Permitted Transferee without any price or other restriction, provided that if the Transferring Shareholder acquired the Shares concerned directly as a result of a single Permitted Transfer or directly as a result of two or more successive Permitted Transfers, such Transferring Shareholder shall not be entitled to make a Permitted Transfer to anyone who did not qualify as a Permitted Transferee of the Original Shareholder who made such single Permitted Transfer or began such two or more successive Permitted Transfers.

17.2 Where Shares are held by the trustees of a Family Trust, the trustees may transfer Shares to:

17.2.1 the Original Shareholder;

17.2.2 another Privileged Relation of the Original Shareholder;

17.2.3 another Family Trust of which the Original Shareholder is the Settlor; or

- 17.2.4 to the new (or remaining) trustees upon a change of trustees of a Family Trust without any price or other restriction.
- 17.3 A transfer of Shares may only be made to a Family Trust if the Board is satisfied (acting reasonably):
 - 17.3.1 with the terms of the trust instrument and, in particular, with the powers of the trustees;
 - 17.3.2 with the identity of the proposed trustees;
 - 17.3.3 that the proposed transfer will not result in 50% or more of the aggregate of the company's equity share capital being held by trustees of that and any other trusts; and
 - 17.3.4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the company.
- 17.4 If a Permitted Transfer is made to the spouse or civil partner of the Original Shareholder, the Permitted Transferee shall within 30 Business Days of ceasing to be the spouse or civil partner of the Original Shareholder (whether by reason of divorce or otherwise) execute and deliver to the company a transfer of the Shares held by him to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them or, failing such agreement within the aforementioned 30 Business Days, the consideration per Share shall be their nominal value. If the Permitted Transferee defaults in their obligations under this article 17 then the Permitted Transferee shall be deemed to have irrevocably appointed any person nominated for the purpose by the Original Shareholder to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the company (on trust for such holder) of the consideration payable for the Shares held by the Permitted Transferee, to deliver such transfer(s) to the Original Shareholder (or as they may direct) as the holder thereof. After the

Original Shareholder (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.

17.5 In relation to a Shareholder which is a corporate body, immediately prior to any sale, transaction or other event causing such Shareholder to cease to be a Connected Corporate Body, a member of the same Group or a Sister Company of the relevant Original Shareholder, that Shareholder shall execute and deliver to the company a transfer of the Shares held by it to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them or, failing such agreement within 10 Business Days, the consideration per Share shall be their nominal value. If such Shareholder defaults in their obligations under this article then that Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Original Shareholder to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the company (on trust for such holder) of the consideration payable for the Shares held by the Shareholder, and to deliver such transfer(s) to the Original Shareholder (or as they may direct) as the holder thereof. After the Original Shareholder (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to provide a share certificate shall not impede the registration of the transfer of Shares under this article.

17.6 Where, under a deceased Shareholder's will (or the laws as to intestacy), the persons legally or beneficially entitled to any Shares (whether immediately or contingently) are Privileged Relations of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Shares to those Privileged Relations who are Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this article may be transferred by the

transferee to any other Permitted Transferee of the Original Shareholder without any price or other restriction.

- 17.7 Subject to article 17.4, on the death or bankruptcy of a Permitted Transferee (other than a joint holder), his personal representatives or trustee in bankruptcy shall execute and deliver to the company a transfer of the Shares held by the Permitted Transferee (without any price or other restriction) within 30 Business Days after the date of the grant of probate or the making of the bankruptcy order. The transfer shall be to the Original Shareholder, if still living (and not bankrupt) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder.

18. TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 18.1 Except where the provisions of article 19 apply or the transfer is a Permitted Transfer, any transfer of Shares by a Shareholder shall be subject to the preemption rights in this article 18.
- 18.2 A Seller shall, before transferring or agreeing to transfer any Shares, give notice in writing to the company (a "Transfer Notice") specifying:
- 18.2.1 the number of Shares that he wishes to transfer (the "Sale Shares");
- 18.2.2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee;
- 18.2.3 the price (in cash) per share at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is specified or agreed between the Seller and the Board ("Transfer Price")); and
- 18.2.4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders ("Minimum Transfer Condition").
- 18.3 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.

18.4 A Transfer Notice appoints the company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

18.5 As soon as practicable following the later of receipt of a Transfer Notice and (in the case where the Transfer Price has not been agreed) the determination of the Transfer Price under article 20, the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in article 18.6. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

18.6 The Board shall offer the Sale Shares to all Shareholders other than the Seller ("**Continuing Shareholders**"), inviting them to apply in writing within 28 Business Days of the date of the offer ("**First Offer Period**") for the maximum number of Sale Shares they wish to buy.

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this article 18.6 and article 18.7 shall be conditional on the fulfilment of the Minimum Transfer Condition.

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale 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 Sale 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 Sale Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this article, but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this article 18.6.

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance ("Initial Surplus Shares") shall be dealt with in accordance with article 18.7.

- 18.7 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within 28 Business Days of the date of the offer ("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 exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of Shares (including any Sale Shares) bears to the total number of Shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. 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 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 18.10.

- 18.8 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 18.6 and article 18.7,

stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

If:

18.8.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and

18.8.2 allocations under article 18.6 and, if necessary, article 18.7 have been made in respect of some or all of the Sale Shares or Initial Surplus Shares as the case may be, the Board shall, as soon as reasonably practicable, give written notice of allocation ("Allocation Notice") to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated ("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 at least 10, but not more than 15 Business Days after the date of the Allocation Notice).

18.9 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.

If the Seller fails to comply with the requirements of the Allocation Notice:

18.9.1 the Chairman of the company (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) may, on behalf of the Seller:

18.9.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

18.9.1.2 receive the Consideration and give a good discharge for it; and

18.9.1.3 (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

- 18.9.2 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.
- 18.10 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 18.8 then within four weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 18.10 shall continue to be subject to any Minimum Transfer Condition.
- 18.11 Notwithstanding anything contained in these Articles:
- 18.11.1 the directors (or director if there is only one) of the company may not decline to register any transfer of shares in the company nor suspend registration of any such shares; and
- 18.11.2 a holder of shares in the company is not required to comply with any provision of the Articles which restricts the transfer of shares or which requires any such shares to be first offered to all or any current Shareholders of the company before any transfer may take place,
- where in any such case the transfer is or is to be:
- 18.11.2.1 executed by a bank or institution to which such shares have been mortgaged, charged or pledged by way of security (or by any nominee of such bank or institution) pursuant to a power of sale under such security;

18.11.2.2 executed by a receiver or manager appointed by or on behalf of any such bank or institution under any such security; or

18.11.2.3 to any such bank or institution (or to its nominee) pursuant to any such security.

A certificate by any officer of such bank or institution that the shares were so charged and the transfer was so executed shall be conclusive evidence of such facts.

18.12 Notwithstanding anything contained in these Articles, the directors (or director if there is only one) of the company may not exercise its rights of lien over shares that have been mortgaged, charged or pledged by way of security to a bank or institution.

19. **COMPULSORY TRANSFERS**

19.1 A Shareholder is deemed to have served a Transfer Notice under article 18.2 immediately before any of the following events:

19.1.1 the passing of a resolution for the liquidation of the Shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the Shareholder's Group in which a new company assumes (and is capable of assuming) all the obligations of the Shareholder; or

19.1.2 the presentation at court by any competent person of a petition for the winding up of the Shareholder and which has not been withdrawn or dismissed within seven days of such presentation; or

19.1.3 the issue at court by any competent person of a notice of intention to appoint an administrator to the Shareholder, a notice of appointment of an administrator to the Shareholder or an application for an administration order in respect of the Shareholder; or

19.1.4 any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the Shareholder; or

- 19.1.5 the Shareholder being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
 - 19.1.6 the Shareholder entering into a composition or arrangement with its creditors; or
 - 19.1.7 any chargor taking any step to enforcing any charge created over any Shares held by the Shareholder in the company (other than by the appointment of a receiver, administrative receiver or manager); or
 - 19.1.8 a process having been instituted that could lead to the shareholder being dissolved and its assets being distributed among the Shareholder's creditors, Shareholders or other contributors; or
 - 19.1.9 the Shareholder ceasing to carry on its business or substantially all of its business; or
 - 19.1.10 being an individual dies, is declared bankrupt or makes any arrangement with or for the benefit of his creditors or has a county court administration order made against him under the County Court Act 1984 and in each case fails to make a Permitted Transfer under article 17; or
 - 19.1.11 in the case of the events set out in articles 19.1.1 to 19.1.10 above, any competent person taking any analogous step in any jurisdiction in which the Shareholder carries on business; or
 - 19.1.12 the Shareholder committing a material or persistent breach of any shareholders' agreement to which it is a party in relation to the Shares in the company which if capable of remedy has not been so remedied within 20 Business Days of the other Shareholders requiring such remedy.
- 19.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
- 19.2.1 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those Shares, save that if the Seller is deemed to

have given a Transfer Notice as a result of article 19.1.12, the price for the Sale Shares shall be £1.00 in aggregate;

19.2.2 if the Continuing Shareholders do not accept the offer of Shares comprised in the Deemed Transfer Notice within 20 Business Days of receipt of the Valuers' determination of the Fair Value, the Seller does not have the right to sell the Sale Shares to a third party and the company shall be wound up immediately upon the Continuing Shareholders giving notice in writing to the company to that effect within such 20 Business Day period.

19.3 A Deemed Transfer Notice under article 19.1.12 shall immediately and automatically revoke:

19.3.1 a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 19.1.12; and

19.3.2 a Deemed Transfer Notice deemed to be served by the relevant shareholder under any of the events set out in article 19.1.1 to article 19.1.11 (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice.

19.4 If the Seller fails to complete a transfer of Sale Shares as required under this article 19, the Continuing Shareholders are irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholders may reasonably require to complete the sale, and the company may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the relevant Continuing Shareholders.

20. VALUATION

20.1 As soon as practicable after deemed service of a Transfer Notice under article 19 or in the event no cash price is agreed between the Seller and the Board under article 18.2.3, the Shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares.

- 20.2 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Shareholders in writing of their determination.
- 20.3 The Fair Value for any Sale Share shall be the price per share determined by the Valuers on the following bases and assumptions:
- 20.4 valuing each of the Sale Shares as a proportion of the total value of all the issued Shares of the same class as the Sale 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 or for the rights or restrictions applying to the Sale Shares;
- 20.4.1 if the company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- 20.4.2 the sale is to be on arms' length terms between a willing seller and a willing buyer;
- 20.4.3 the Sale Shares are sold free of all encumbrances;
- 20.4.4 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
- 20.4.5 to take account of any other factors that the Valuers reasonably believes should be taken into account.
- 20.5 The Shareholders are entitled to make submissions to the Valuers and will provide (or procure that the company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 20.6 To the extent not provided for by this article 20, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.

- 20.7 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders (in the absence of manifest error or fraud).
- 20.8 Each shareholder shall bear its own costs in relation to the reference to the Valuers. The Valuers' fees and costs properly incurred by them in arriving at their valuation shall be borne by the Shareholders in such other proportions as the Valuers shall direct.
- 21. TAG ALONG**
- 21.1 No transfer (other than a Permitted Transfer) of any Shares may be made or validly registered if it is in respect of (alone or in aggregation with any other transfer of Shares) 50% or more of the Shares, unless each relevant Shareholder proposing to transfer Shares (a "Selling Shareholder") has observed the procedures set out in this article 21, provided that a Drag Along Notice has not been served pursuant to article 22.
- 21.2 After first giving a Transfer Notice to the Continuing Shareholders and going through the procedure set out in article 18, each Selling Shareholder shall give each other holder of Shares (the "Tag Along Shareholders") at least 20 Business Days' notice in advance of the proposed sale (a "Tag Along Notice"). The Tag Along Notice shall be accompanied by evidence of the offer of the proposed purchaser ("Buyer") and shall specify:
- 21.2.1 the identity of the Buyer;
 - 21.2.2 the price per share that the Buyer proposes to pay (the "Proposed Sale Price");
 - 21.2.3 the manner in which the consideration is to be paid; and
 - 21.2.4 the number of Shares that the Selling Shareholder proposes to sell.
- 21.3 Each Tag Along Shareholder shall, within ten Business Days following receipt of the Tag Along Notice, notify the Selling Shareholder that he wants to sell all or any of the

Shares held by him at the Proposed Sale Price. Such notification shall be made by delivering a written notice to the Selling Shareholder which shall specify the number of Shares that the Tag Along Shareholder wants to sell.

21.4 Any Shareholder who does not send such a notice within the ten Business Day period referred to in article 21.3 shall be deemed to have specified that they do not want to sell any Shares.

21.5 After the expiry of ten Business Days from the date that the Tag Along Shareholders receive the Tag Along Notice, the Selling Shareholder shall be entitled to sell to the Buyer (on the terms notified to the Tag Along Shareholders) a number of Shares not exceeding the number specified in the Tag Along Notice, less any Shares that the Tag Along Shareholders have indicated that they want to sell. Provided that, at the same time, the Buyer (or another person) buys from the Tag Along Shareholders the number of Shares that they have respectively indicated they want to sell on terms no less favourable than those obtained by the Selling Shareholder from the Buyer.

21.6 No sale by the Selling Shareholder shall be made pursuant to any Tag Along Notice more than two months after service of that Tag Along Notice.

22. **DRAG ALONG**

22.1 After first giving a Transfer Notice and going through the procedure set out in article 18, if the holders of 75% of the Shares in issue for the time being ("Drag Shareholders") wish to transfer all (but not some only) of their Shares ("Drag Shares") to a bona fide purchaser on arm's length terms ("Proposed Buyer"), the Drag Shareholders may require all other Shareholders ("Called Shareholders") to sell and transfer all their shares ("Called Shares") to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article ("Drag Along Option").

- 22.2 The Drag Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders ("**Drag Along Notice**") at any time before the transfer of the Drag Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 22.2.1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this article 22;
- 22.2.2 the person to whom the Called Shares are to be transferred;
- 22.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Drag Shares; and
- 22.2.4 the proposed date of the transfer.
- 22.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Drag Shareholders have not sold the Drag Shares to the Proposed Buyer within 40 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 22.
- 22.5 Completion of the sale of the Called Shares shall take place on the Completion Date. **Completion Date** means the date proposed for completion of the sale of the Drag Shares unless:
- 22.5.1 all of the Called Shareholders and the Drag Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Drag Shareholders; or
- 22.5.2 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 the twentieth Business Day after service of the Drag Along Notice.

- 22.6 The proposed sale of the Drag Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in article 18, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 22.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called 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 Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 22.2.3 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 Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 22.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 22 in respect of their Shares.
- 22.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 22.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Drag Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder

of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 22.

- 22.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (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 22 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the company, if later.

23. POLL VOTES

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.

24. MEANS OF COMMUNICATION TO BE USED

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

- 24.1.1 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;

- 24.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address.

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

24.2 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.

25. INDEMNITY

25.1 Subject to the Act, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

25.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

25.1.2 the company may provide any Relevant Officer with an indemnity out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in respect of 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

25.1.3 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 25.1.2 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure.

25.2 This article 25 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.

26. INSURANCE

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.