

Company number: 02631340



**THE COMPANIES ACTS 1985 to 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION OF**

**A4e Ltd**

**(Amended by a Decision of the Sole Member dated 27 May 2020)**

**1 PRELIMINARY**

1.1 The regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (SI 1985 No 805) as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985 No 1052) (such Table being hereinafter called "**Table A**") shall apply to the Company save in so far as they are excluded or varied hereby and such regulations (save as so excluded or varied) and the Articles hereinafter contained shall be the Articles of Association of the Company. Any regulations previously applicable to the Company under any former enactment shall not apply to the Company.

1.2 In these Articles the expression the "**Act**" means the Companies Act 1985, but so that any reference in these Articles to any provision of the Act shall be deemed to include a reference to any statutory modification or re-enactment of that provision for the time being in force.

1.3 The Chairman shall not, in the event of an equality of votes at any general meeting of the Company, or of a committee of directors, have a second or casting vote. Regulation 50 in Table A shall not apply to the Company, and regulations 72 and 88 in Table A shall be modified accordingly.

**1.4 Definitions**

- (a) "**Bad Leaver**" means an Employee (excluding any Non-Executive Director) who ceases to be an Employee for a reason which the Majority Shareholder considers in its sole discretion to be one of misconduct at the date of cessation of employment.
- (b) "**Compulsory Acquisition Notice**" means as defined in Article 18.1.
- (c) "**Drag Along Shareholder**" means as defined in Article 18.2.
- (d) "**EBT**" means the Action for Employment Limited Employee Share Trust (established 30 April 2002) and any other employee benefit trust or share scheme arrangement the beneficiaries of which include the Employees.

- (e) **"Employees"** means:
  - (a) any person, other than Emma Harrison and Mark Lovell, employed by, engaged by, or providing services to the Company (or any group company) and/or, in the case of a Non-Executive Director only, providing services to the Company (or any group company) through an entity controlled by that Non-Executive Director, and/or
  - (b) any director or officer, other than Emma Harrison and Mark Lovell, of the Company (or any group company) from time to time.
- (f) **"Good Leaver"** means Employee who ceases to be an Employee for a reason other than as a Bad Leaver.
- (g) **"Leaver"** means a Good Leaver or a Bad Leaver as the case may be (and for the avoidance of doubt, Emma Harrison and Mark Lovell shall not be considered as a Leaver, nor shall a Non-Executive Director who continues to provide services to the Company through an entity controlled by that Non-Executive Director).
- (h) **"Leaver Shares"** means as defined in Article 16.1.
- (i) **"Majority Shareholder"** means a person (or persons acting in concert) holding an interest in the Company which entitles them to exercise voting rights (alone or pursuant to an agreement) which in aggregate carry over 50% of the aggregate voting rights which are capable of being cast at a general meeting of the Company.
- (j) INTENTIONALLY LEFT BLANK
- (k) **"Market Value"** means as defined in Article 16.11.
- (l) **"Non-Executive Director"** means Steve Boyfield or Roy Newey.
- (m) **"Offer"** means as defined in Article 17.1.
- (n) **"Offeror"** means as defined in Article 17.1.
- (o) **"Option"** means an option over or right to subscribe for an interest in Ordinary Shares of the Company granted to an Employee.
- (p) **"Sale Price"** means as defined in Article 16.10.
- (q) **"Tag Along Shares"** means as defined in Article 17.1.
- (r) **"Transfer Event"** means as defined in Article 16.1.
- (s) **"Transfer Notice"** means as defined in Article 16.1.

## 2 SHARE CAPITAL

- 2.1 The authorised share capital of the Company is~ 2,500,000 divided into 49,748,000 Ordinary Shares of 5 pence each and 42,000 'A' Redeemable Shares of 5 pence each, 42,000 'B' Redeemable Shares of 5 pence each, 42,000 'C' Redeemable Shares of 5 pence each, 42,000 'D' Redeemable Shares of 5 pence each, 42,000 'E' Redeemable Shares of 5 pence each and 42,000 'F' Redeemable Shares of 5 pence each.
- 2.2 Save as herein provided the shares shall rank pari passu in all respects.
- 2.3 The holders of the 'A', 'B', 'C', 'D', 'E' and 'F' Redeemable Shares (hereinafter referred to as the "**Redeemable Shares**") shall not be entitled to receive notice of or attend or vote at any general meeting of the Company.
- 2.4
- 2.4.1 Subject to the provisions of the Act and to Article 2.4.4 below, the Company may by ordinary resolution, upon the recommendation of the directors, declare a dividend
- 2.4.2 Subject to Article 2.4.4 below, every general meeting at which a dividend is declared shall, by ordinary resolution, direct that such dividend be paid in respect of one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares
- 2.4.3 Subject to Article 2.4.4 below, where a dividend is declared in respect of more than one class of shares the Company may, by ordinary resolution, differentiate between such classes as to the amount or percentage of dividend payable, but in default the shares in each such class shall be deemed to rank pari passu in all respects as if they constituted one class of shares
- 2.4.4 Provided always that no dividend shall be declared on any class of shares in circumstances where the directors recommend that no dividend should be declared nor shall any dividend be declared on any class which exceeds the amount recommended by the directors in respect of that class
- 2.4.5 When paying interim dividends the directors may make payments to one or more classes of shares to the exclusion of the other classes or to all classes of shares When making such payments the directors may differentiate between the classes to which payments are being made as to the amount or percentage of dividend payable Regulations 102 and 103 in Table A shall be read and construed accordingly
- 2.5
- 2.5.1 On a winding up or other repayment of capital, the assets of the Company (including capital uncalled at the commencement of the winding up) remaining after paying and discharging the debts and liabilities of the Company and the costs of winding up, shall be applied in the following order of priority

- 2.5.2 in repayment of the capital paid up or credited as paid up on the 'A' Redeemable Shares (including any premium);
- 2.5.3 in repayment of the capital paid up or credited as paid up on the 'B' Redeemable Shares (including any premium);
- 2.5.4 in repayment of the capital paid up or credited as paid up on the 'C' Redeemable Shares (including any premium);
- 2.5.5 in repayment of the capital paid up or credited as paid up on the 'D' Redeemable Shares (including any premium);
- 2.5.6 in repayment of the capital paid up or credited as paid up on the 'E' Redeemable Shares (including any premium);
- 2.5.7 in repayment of the capital paid up or credited as paid up on the "F" Redeemable Shares (including any premium);
- 2.5.8 in repayment of the capital paid up or credited as paid up on the Ordinary Shares (including any premium);
- 2.5.9 and the residue (if any) shall be divided among the holders of the Ordinary Shares in proportion to the nominal amount paid up or credited as paid up on such shares.

## 2.6

- 2.6.1 The holders of 30 per cent of the Ordinary Shares may at any time call upon the Company by notice in writing (hereinafter called "the shareholders notice") to redeem any fully paid Redeemable Shares and the Company shall thereupon give to the shareholders whose shares are to be redeemed not less than one months' notice in writing, expiring at any time of the date proposed for redemption. A Redeemable Share shall not be redeemed unless it is a fully paid share.
- 2.6.2 In the case of a partial redemption, the Redeemable Shares to be redeemed shall be selected by drawings to be made at such place and in such manner as the directors in their absolute discretion shall determine.
- 2.6.3 The Company shall redeem the whole of the Redeemable shares then outstanding on the 15 January 2050, or as soon thereafter as the Company shall be able to comply with the statutory provisions for the time being affecting such redemption. Not less than one months' previous notice in writing shall be given to the holders of such shares specifying the date upon which the same will be redeemed.
- 2.6.4 Any notice of redemption shall specify the particular shares to be redeemed, the time and date proposed for redemption and shall require the certificates for such shares to be presented for redemption at the registered office. At the time and date proposed for redemption, each holder of shares proposed to be redeemed shall be bound to

surrender to the Company for cancellation the certificates for his shares which are to be redeemed. Upon such surrender the Company shall pay to him the amount due upon redemption and the holder of the shares redeemed shall give the Company a receipt for such moneys Provided always that if the Company cannot comply with the provisions of the Act regarding redemption on the date proposed for redemption, it shall pay the moneys due to each holder of shares to be redeemed and each such holder shall give the Company a receipt for such moneys as soon after the date proposed for redemption as the Company is able to so comply If any certificate surrendered to the Company shall include any Redeemable Shares not then to be redeemed, a fresh certificate for those shares shall be issued without charge.

- 2.6.5 There shall be paid on each Redeemable share redeemed the amount paid up or credited as paid up thereon (including any premium).

### **3 ALLOTMENT OF SHARES**

- 3.1 All shares of whatever class shall be under the control of the directors who may (subject to 80 of the Act and to article 3.3 below) allot, grant options over or otherwise dispose of the same, to such persons, on such terms and in such manner as they think fit.
- 3.2 In accordance with section 91(1) of the Act sections 89(1) and 90(1) to (6) (inclusive) of the Act shall not apply to the Company.
- 3.3 The directors are generally and unconditionally authorised for the purposes of section 80 of the Act to exercise any power of the Company to allot and grant rights to subscribe for or convert securities into shares of the Company up to the amount of the share capital of the Company authorised but unissued at the date of adoption of these Articles at any time or times during the period of five years from the date of adoption and the directors may, after that period, allot any shares or grant any such rights under this authority in pursuance of an offer or agreement so to do made by the Company within that period. The authority hereby given may at any time (subject to the said section 80) be renewed, revoked or varied by ordinary resolution.

### **4 SHARES**

- 4.1 The lien conferred by regulation 8 in Table A shall attach also to fully paid-up shares, and the Company shall also have a first and paramount lien on all shares, whether fully paid or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders, for all moneys presently payable by him or his estate to the Company. Regulation 8 in Table A shall be modified accordingly.
- 4.2 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

- 4.3 The Company shall have no lien on any shares which have been charged by way of security to a Secured Institution.

## **5 GENERAL MEETINGS AND RESOLUTIONS**

- 5.1 Every notice convening a general meeting shall comply with the provisions of section 372(3) of the Act as to giving information to members in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any member is entitled to receive shall be sent to the directors and to the auditors for the time being of the Company.

### **5.2**

- 5.2.1 No business shall be transacted at any general meeting unless a quorum is present. Subject to Article 5.2.2 below, two persons entitled to vote upon the business to be transacted, each being a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum.

- 5.2.2 If and for so long as the Company has only one member, that member present in person or by proxy or (if that member is a corporation) by a duly authorised representative shall be a quorum.

- 5.2.3 If a quorum is not present within half an hour from the time appointed for a general meeting the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other time and place as the directors may determine, and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed therefor such adjourned general meeting shall be dissolved

- 5.2.4 Regulations 40 and 41 in Table A shall not apply to the Company.

### **5.3**

- 5.3.1 If and for so long as the Company has only one member and that member takes any decision which is required to be taken in general meeting or by means of a written resolution, that decision shall be as valid and effectual as if agreed by the Company in general meeting, subject as provided in Article 5.3.3 below.

- 5.3.2 Any decision taken by a sole member pursuant to Article 5.3.1 above shall be recorded in writing and delivered by that member to the Company for entry in the Company's minute book.

- 5.3.3 Resolutions under section 303 of the Act for the removal of a director before the expiration of his period of office and under section 391 of the Act for the removal of an auditor before the expiration of his period of office shall only be considered by the Company in general meeting.

- 5.4 A member present at a meeting by proxy shall be entitled to speak at the meeting and shall be entitled to one vote on a show of hands. In any case where the same person is appointed proxy for more than one member he shall on a show of hands have as many votes as the number of members for whom he is proxy. Regulation 54 in Table A shall be modified accordingly.
- 5.5 Unless resolved by ordinary resolution that regulation 62 in Table A shall apply without modification, the instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may be deposited at the place specified in regulation 62 in Table A up to the commencement of the meeting or (in any case where a poll is taken otherwise than at the meeting) of the taking of the poll or may be handed to the chairman of the meeting prior to the commencement of the business of the meeting.

## **6 APPOINTMENT OF DIRECTORS**

- 6.1.1 Regulation 64 in Table A shall not apply to the Company.
- 6.1.2 The maximum number and minimum number respectively of the directors may be determined from time to time by ordinary resolution. Subject to and in default of any such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whenever the minimum number of directors is one, a sole director shall have authority to exercise all the powers and discretions by Table A and by these Articles expressed to be vested in the directors generally, and regulation 89 in Table A shall be modified accordingly.
- 6.2 The directors shall not be required to retire by rotation and regulations 73 to 80 (inclusive) in Table A shall not apply to the Company.
- 6.3 No person shall be appointed a director at any general meeting unless either:
- (a) he is recommended by the directors, or
  - (b) not less than 14 nor more than 35 clear days before the date appointed for the general meeting, notice signed by a member qualified to vote at the general meeting has been given to the Company of the intention to propose that person for appointment, together with notice signed by that person of his willingness to be appointed.
- 6.4
- 6.4.1 Subject to Article 6.3 above, the Company may by ordinary resolution appoint any person who is willing to act to be a director, either to fill a vacancy or as an additional director
- 6.4.2 The directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number determined in accordance with Article 6.1.2 above as the maximum number of directors and for the time being in force.

6.4.3 Notwithstanding Article 6.3, the holder of a majority of Ordinary Shares in the Company may at any time appoint any person who is willing to act to be a director, by providing written notification to that effect to the Company.

6.5 No director shall be required to vacate his office as a director and no person shall be disqualified from being appointed a director by reason of his attaining or having attained the age of seventy.

6.6 Any Director who, being so requested by the Directors, performs special or extraordinary services on behalf of the Company, or, who travels to or resides in any place other than where he usually resides for the purpose of discharging his duties, may be paid such extra remuneration (whether by way of lump sum, salary, commission or participation in profits or otherwise) as the directors may determine.

6.7 In any case where as the result of death or deaths the Company has no members and no directors the personal representatives of the last member to have died shall have the right by notice in writing to appoint a person to be a director of the Company and such appointment shall be was effective as if made by the Company in General Meeting pursuant to Article 6.4.1 above. For the purpose of this article, where two or more members die in circumstances rendering it uncertain which of them survived the other or others, the members shall be deemed to have died in order of seniority, and accordingly the younger shall be deemed to have survived the elder.

6.8 In addition to under Regulation 81 in Table A, a person ceases to be a director as soon as written notification to that effect is received by the Company from the holder of a majority of Ordinary Shares in the Company.

## **7 BORROWING POWERS**

7.1 The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 80 of the Act to grant any mortgage, charge or standard security over its undertaking, property and uncalled capital, or any part thereof, and to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

## **8 ALTERNATE DIRECTORS**

8.1 Unless otherwise determined by the Company in general meeting by ordinary resolution an alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (it any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct, and the first sentence of regulation 66 in Table A shall be modified accordingly.

8.2 A director, or any such other person as is mentioned in regulation 65 in Table A, may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the directors or of any committee of the directors to one vote for every director



whom he represents in addition to his own vote (if any) as a director, but he shall count as only one for the purpose of determining whether a quorum is present.

## **9 GRATUITIES AND PENSIONS**

9.1.1 The directors may exercise the powers of the Company conferred by its Memorandum of Association in relation to the payment of pensions, gratuities and other benefits and shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers.

9.1.2 Regulation 87 in Table A shall not apply to the Company.

## **10 PROCEEDINGS OF DIRECTORS**

10.1.1 A director may vote, at any meeting of the directors or of any committee of the directors, on any resolution, notwithstanding that it in any way concerns or relates to a matter in which he has, directly or indirectly, any kind of interest whatsoever, and if he shall vote on any such resolution his vote shall be counted, and in relation to any such resolution as aforesaid he shall (whether or not he shall vote on the same) be taken into account in calculating the quorum present at the meeting.

10.1.2 Each director shall comply with his obligations to disclose his interest in contracts under section 317 of the Act.

10.1.3 Regulations 94 to 97 (inclusive) in Table A shall not apply to the Company.

10.1.4 (a) Any director or member of a committee of directors may participate in a meeting of the directors or such committee by means of conference, telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute "present in person" at such meeting.

10.1.5 (b) A resolution agreed by all the directors present by means of a telephonic communication, telex, facsimile transceiver, computer or other electronic means will be valid if such resolution is signed by the Chairman of the meeting.

## **11 THE SEAL**

11.1 If the Company has a seal it shall only be used with the authority of the directors or of a committee of directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or second director. The obligation under regulation 6 of Table A relating to the sealing of share certificates shall apply only if the Company has a seal. Regulation 101 in Table A shall not apply to the Company.

11.2 The Company may exercise the powers conferred by section 39 of the Act with regard to having an official seal for use abroad, and such powers shall be vested in the directors.

## **12 NOTICES**

12.1 Without prejudice to regulations 112 to 116 inclusive in Table A, the Company may give notice to a member by electronic means provided that:

12.1.1 the member has given his consent in writing to receiving notice communicated by electronic means and in such consent has set out an address to which the notice shall be sent by electronic means, and

12.1.2 the electronic means used by the Company enables the member concerned to read the text of the notice.

12.2 A notice given to a member personally or in a form permitted by Article 12.1 above shall be deemed to be given on the earlier of the day on which it is delivered personally and the day on which it was dispatched by electronic means, as the case may be.

12.3 Regulation 115 in Table A shall not apply to a Notice delivered personally or in a form permitted by Article 12.1 above.

12.4 In this article "electronic" means actuated by electric, magnetic, electromagnetic, electro-chemical or electro-mechanical energy and "by electronic means" means by any manner only capable of being so actuated.

## **13 INDEMNITY**

13.1 Every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto, including any liability incurred by- him in defending any proceedings, whether civil or criminal, or in connection with any application under section 144 or section 727 of the Act in which relief is granted to him by the Court, and no director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation thereto. But this Article shall only have effect in so far as its provisions are not avoided by section 310 of the Act.

13.2 The directors shall have power to purchase and maintain for any director, officer or auditor of the Company insurance against any such liability as is referred to in section 310(1) of the Act.

13.3 Regulation 118 in Table A shall not apply to the Company.

## **14 TRANSFER OF SHARES**

14.1 The directors may, in their absolute discretion and without assigning any reason therefor, decline to register the transfer of a Redeemable Share, whether or not it is a fully paid share, and the first sentence of regulation 24 in Table A shall be read and construed accordingly.

14.2 Except for transfers pursuant to Article 14.2.2 or pursuant to Article 15:

14.2.1 Any person (hereinafter called the "**proposing transferor**") proposing to transfer any Ordinary Shares shall give notice in writing (hereinafter called "the transfer notice") to the Company that he desires to transfer the same and specifying the price per share which in his opinion constitutes the fair value thereof. The transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some of) the shares comprised in the transfer notice to any member or members holding Ordinary Shares willing to purchase the same (hereinafter called the "**purchasing member**") at the price specified therein or at the fair value certified in accordance with Article 14.4 below (whichever shall be the lower). A transfer notice shall not be revocable except with the sanction of the Directors;

14.2.2 The trustees of any employee share trust or employee benefit trust established by the Company shall be entitled to transfer any Ordinary Shares (or any interest in any Ordinary shares):

14.2.2.1 to new trustees on the appointment of new or additional trustees of such trust; or

14.2.2.2 to any beneficiary of such trust in exercise of their powers and discretions under such trust.

14.3 The shares comprised in any transfer notice shall be offered to the members holding Ordinary Shares (other than the proposing transferor) as nearly as may be in proportion to the number of Ordinary Shares held by them respectively. Such offer shall be made by notice in writing (hereinafter called "**the offer notice**") within 7 days after the receipt by the Company of the transfer notice. The offer notice shall state the price per share specified in the transfer notice and shall limit the time in which the offer may be accepted, not being less than 21 days nor more than 42 days after the date of the offer notice, provided that if a certificate of fair value is requested under Article 14.4 below the offer shall remain open for acceptance for a period of 14 days after the date on which notice of the fair value certified in accordance with that Article shall have been given by the Company to the members holding Ordinary Shares or until the expiry of the period specified in the offer notice whichever is the later. For the purpose of this Article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company. The offer notice shall further invite each member holding Ordinary Shares to state in his reply the number of additional shares (if any) in excess of his proportion which he desires to purchase and if all the members holding Ordinary Shares do not accept the offer in respect of their respective proportions in full the shares not so accepted shall be used to satisfy the claims for additional shares as nearly as may be in proportion to the number of Ordinary Shares in the transfer notice already held by them respectively, provided that no member shall be obliged to take more shares than he shall have applied for. If any shares shall not be capable without fractions of being offered to the members in proportion to their existing holdings, the same shall be offered to the members, or some of them, in such proportions or in such manner as may be determined by lots drawn in regard thereto, and the lots shall be drawn in such manner as the directors may think fit.

- 14.4 Any member served with an offer notice may, not later than 8 days after the date of the offer notice, serve on the Company a notice in writing requesting that the auditor for the time being of the Company (or at the discretion of the auditor, a person nominated by the President for the time being of the Institute of Chartered Accountants in the Country of the situation of its registered office) certify in writing the sum which in his opinion represents the fair value of the shares comprised in the transfer notice as at the date of the transfer notice and for the purpose of this Article reference to the auditor shall include any person so nominated. Upon receipt of such notice the Company shall instruct the auditor to certify as aforesaid and the costs of such valuation shall be apportioned among the proposing transferor and the purchasing members or borne by any one or more of them as the auditor in his absolute discretion shall decide. In certifying the fair value as aforesaid the auditor shall be considered to be acting as an expert and not as an arbitrator or arbiter and accordingly any provisions of law or statute relating to arbitration shall not apply. Upon receipt of the certificate of the auditor, the Company shall by notice in writing inform all members of the fair value of each share and of the price per share (being the lower of the price specified in the transfer notice and the fair value of each share) at which the shares comprised in the transfer notice are offered for sale.
- 14.5 If purchasing members shall be found for all the shares comprised in the transfer notice within the appropriate period specified in Article 14.3 above, the Company shall not later than 7 days after the expiry of such appropriate period give, notice in writing (hereinafter called "the sale notice") to the proposing transferor specifying the purchasing members and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the transfer notice to transfer the shares to the purchasing members.
- 14.6 If in any case the proposing transferor after having become bound as aforesaid makes default in transferring any shares the Company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing member. The receipt of the Company for the purchase money shall be a good discharge to the purchasing members. The Company shall pay the purchase money into a separate bank account.
- 14.7 If the Company shall not give a sale notice to the proposing transferor within the time specified in Article 14.5 above, he shall, during the period of 30 days next following the expiry of the time so specified, be at liberty to transfer all or any of the shares comprised in the transfer notice to any person or persons but in that event the directors may, in their absolute discretion, and, without assigning any reason therefor, decline to register any such transfer and regulation 24 in Table A shall, for these purposes, be modified accordingly.
- 14.8 In the application of regulations 29 to 31 (inclusive) in Table A to the Company:
- 14.8.1 any person becoming entitled to an Ordinary Share in consequence of the death or bankruptcy of a member shall give a transfer notice before he elects in respect of any such share to be registered himself or to execute a transfer;

14.8.2 if a person so becoming entitled shall not have given a transfer notice in respect of any Ordinary Share within 6 months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within 30 days of such notice to give a transfer notice in respect of all the Ordinary Shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such 30 days be deemed to have given a transfer notice pursuant to Article 14.2 above relating to those shares in respect of which he has still not done so;

14.8.3 where a transfer notice is given or deemed to be given under this Article 14.8 and no price per share is specified therein the transfer notice shall be deemed to specify the sum which shall, on the application of the directors, be certified in writing by the auditors in accordance with Article 14.4 of this Article as the fair value thereof.

#### 14.9 INTENTIONALLY LEFT BLANK

14.10 Any person, other than the holder of an 'A' Redeemable Share, (hereinafter called "**the proposing Redeemable Transferor**") proposing to transfer any Redeemable Share shall give notice in writing (hereinafter called the "**redeemable transfer notice**") to the Company that he desires to transfer the same and specifying the nominal value as the price per share. The redeemable transfer notice shall constitute the Company the agent of the proposing transferor for the sale of all (but not some of) the shares comprised in the redeemable transfer notice to any member or members holding 'A' Redeemable Shares willing to purchase the same (hereinafter called "**the 'A' purchasing member**") at the price specified therein. A redeemable transfer notice shall not be revocable except with the sanction of the directors.

14.11 Such offer shall be made by notice in writing (hereinafter called the "**redeemable offer notice**") within 7 days after the receipt by the Company of the redeemable transfer notice. The redeemable offer notice shall state the price per share specified in the redeemable transfer notice and shall limit the time in which the offer may be accepted, not being less than 21 days nor more than 42 days after the date of the offer notice. For the purpose of this article an offer shall be deemed to be accepted on the day on which the acceptance is received by the Company.

14.12 If purchasing members shall be found for all the shares comprised in the redeemable transfer notice within the period specified in 14.11 above, the Company shall not later than 7 days after the expiry of such period give notice in writing (hereinafter called "the redeemable sale notice") to the proposing transferor specifying the purchasing members and the proposing transferor shall be bound upon payment of the price due in respect of all the shares comprised in the redeemable transfer notice to transfer the shares to the purchasing members.

14.13 If in any case the proposing transferor after having become bound as aforesaid makes defaults in transferring any redeemable shares the company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such shares in favour of the purchasing member. The receipt of the Company for the purchase money shall be a good

discharge to the purchasing members The Company shall pay the purchase money into a separate bank account.

14.14 If the Company shall not give a redeemable sale notice to the proposing transferor within the time specified in article 14.12 above, he shall, during the period of 30 days next following the expiry of the time so specified, be at liberty to transfer all or any of the shares comprised in the transfer notice to any person or persons subject to article 14.1 above.

14.15 In the application of regulations 29 to 31 (inclusive) in Table A to the Company:

14.15.1 any person becoming entitled to a Redeemable Share (other than an 'A' Redeemable Share) in consequence of the death or bankruptcy of a member shall give a transfer notice before he elects in respect of any such share to be registered himself or to execute a transfer; and

14.15.2 if a person so becoming entitled shall not have given a transfer notice in respect of any Redeemable Share (other than an 'A' Redeemable Share) within 6 months of the death or bankruptcy, the directors may at any time thereafter upon resolution passed by them give notice requiring such person within 30 days of such notice to give a redeemable transfer notice in respect of all the Redeemable Shares to which he has so become entitled and for which he has not previously given a transfer notice and if he does not do so he shall at the end of such 30 days be deemed to have given a transfer notice pursuant to Article 14.10 above relating to those shares in respect of which he has still not done so.

14.16 Whenever any member of the Company who is the holder of a Redeemable Share (other than an 'A' Redeemable Share) and who is employed by the Company in any capacity (whether or not he is also a director) ceases to be employed by the Company otherwise than by reason of his death the directors may at any time not later than 6 months after his ceasing to be employed resolve that such member do retire in respect of the Redeemable Shares held by him, and thereupon he shall (unless he has already served a redeemable transfer notice) be deemed to have served a transfer notice pursuant to Article 14.10 above and to have specified therein the nominal value as the price per share. Notice of the passing of any such resolution shall forthwith be given to the member affected thereby.

14.17 Notwithstanding anything contained in these articles, the directors shall not decline to register any transfer of shares, nor may they suspend or delay registration thereof where such transfer:

- (i) is to any bank or other entity in favour of which such shares have been mortgaged or charged by way of security (whether as lender, agent, trustee or otherwise), or to any nominee, successor, permitted assignee or transferee of such a bank or entity (a **"Secured Institution"**); or
- (ii) is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the shares; or

(iii) is made by a Secured Institution (or its nominee or any other entity acting on its behalf) or by any receiver (or similar officer) to any other person on an enforcement of its security over the shares; or

(iv) is by any insolvency practitioner in the course of selling those shares,

and furthermore notwithstanding anything to the contrary contained in these articles, in connection with any share transfer of a kind referred to above in (i) to (iv), none of the provisions of article 17 (Tag Along) and article 18 (Drag Along Rights) shall apply and no transferor of any shares in the Company or proposed transferor of such shares shall be required to offer the shares to any of the shareholders of the Company and no such shareholder shall have any right under the articles or otherwise howsoever to require such shares to be transferred to them whether for consideration or not.

14.18 Notwithstanding anything contained in these articles, the Company shall have no lien on any shares (whether paid or unpaid shares) which have been mortgaged or charged by way of security in favour of a Secured Institution and any other restrictions on the transfer of shares shall not apply to any shares that have been mortgaged or charged by way of security in favour of a Secured Institution.

## **15 TRANSFERS BY AND TO EBT**

15.1 Subject to Article 15.3, the EBT may transfer any Ordinary Shares that it holds to any beneficiary, whether pursuant to an Option granted to that beneficiary or otherwise, without restriction

15.2 Any member may transfer any Ordinary Shares that they hold to the EBT without restriction.

15.3 The Board may refuse to register a transfer of shares to a beneficiary of the EBT pursuant to Article 15.1 until such time as it is satisfied, acting reasonably, that any transfer is to a beneficiary. The Board may require The EBT or the beneficiary in question to provide such information as the Board reasonably thinks fit in connection with the transfer of Ordinary Shares to that beneficiary.

## **16 MANDATORY TRANSFERS BY EMPLOYEES**

16.1 If:

16.1.1 an Employee becomes a Leaver; or

16.1.2 a Leaver, in each case after the date on which he becomes a Leaver, (i) becomes a Shareholder or (ii) acquires additional Ordinary Shares in the Company pursuant to the exercise of an Option or (Hi) is issued or transferred Ordinary Shares as the sole legal and/or beneficial holder following the exchange of an interest in an Ordinary Share which he jointly held with the trustees of the EBT,

(16.1.1 and 16.1.2 each a "Transfer Event")

then the Leaver shall be deemed to have issued a transfer notice (a "**Transfer Notice**") immediately upon the occurrence of the Transfer Event occurring in respect of their entire holding of Ordinary Shares at the date of the relevant Transfer Notice (the "**Leaver Shares**")

- 16.1.3 For the avoidance of doubt, a Transfer Event in accordance with the mandatory transfer requirements set-out in this article 16, will not have occurred where a leaver holds those Ordinary Shares jointly (either legally and/ or beneficially) with the trustees of the EBT. In these circumstances, the Leaver shall not be deemed to have served a Transfer Notice in respect of his joint ownership of such Ordinary Shares.
- 16.2 Each Transfer Notice shall be deemed to constitute the Company as the agent of the Leaver the subject of the Transfer Notice for the sale of the Leaver Shares.
- 16.3 Within five days of the later of the date of the Transfer Event and the date on which the Sale Price for the Leaver Shares is agreed or determined, the Company shall offer the Leaver Shares at the Sale Price to the Majority Shareholder.
- 16.4 If the Majority Shareholder does not, within 10 days of receipt of an offer pursuant to Article 16.3, confirm in writing to the Board that he wishes to accept all or some of the Leaver Shares then the Board may offer the Leaver Shares not accepted by the Majority Shareholder at the Sale Price to the EBT and the provisions of this Article 16.4 shall apply mutatis mutandis.
- 16.5 If the EBT does not accept the Leaver Shares offered to it pursuant to Article 16.4 by the Company (to the extent legally permitted) or (ii) offer the Leaver Shares at the Sale Price to any other shareholders as it, in its sole discretion, deems fit and the provisions of Article 16.4 shall apply mutatis mutandis.
- 16.6 If the Board chooses to effect a repurchase of the Leaver Shares by the Company at the Sale Price then the Leaver shall do and execute and perform all such deeds and documents, acts and things as the Board may require to give effect to the repurchase of the Leaver Shares. If the Leaver defaults in taking any such action or execution any deed or document then the provisions of Article 16.8 shall apply mutatis mutandis.
- 16.7 If purchasers of the Leaver Shares are found following any offers made pursuant to Articles 16.3 to 16.5 (inclusive), completion of the sale and purchase of the Leaver Shares shall take place within 10 days of the date of the relevant offeree having agreed to acquire the Leaver Shares, at which time the Leaver shall transfer the relevant Leaver Shares to the offeree that has agreed to acquire them and deliver the relevant share certificates and, upon receipt, the transferee shall make payment of the Sale Price for the Leaver Shares in question to the Leaver.
- 16.8 If the Leaver defaults in transferring any Leaver Shares pursuant to Article 16.7, then any director of the Company shall be and hereby is duly appointed attorney for such Leaver and shall have the power to execute and deliver, on the Leaver's behalf, the necessary documents



and the taking of such other steps necessary to cause the transferee to be registered as the holder of the Leaver Shares in question and Article 16.8 shall apply.

- 16.9 In respect of any transfer pursuant to Article 16.7, the transferee shall forthwith pay the Sale Price into a separate bank account in the Company's name and the Company shall hold such money on trust (but without interest) for such Leaver until the Leaver delivers the share certificates for the Leaver Shares to the Company (or an indemnity in respect of the same in a form satisfactory to the Board). The receipt by the Company of such payment shall constitute a good discharge and the transferee (who shall not be bound to see to the application thereof) shall, subject to due stamping, be registered as the new owner and be issued a share certificate. Once a transferee has been registered as a shareholder pursuant to the exercise of the powers of this Article, the validity of the transfer shall not be questioned.
- 16.10 For the purposes of this Article 16, "**Sale Price**" shall mean such price as the Leaver and the Board shall agree within ten days following the date of the Transfer Notice or, failing such agreement:
- (a) If the Leaver is a Good Leaver, the Market Value of the Leaver Shares; or
  - (b) If the Leaver is a Bad Leaver, the lower of Market Value and the acquisition price originally paid by the Leaver for the Leaver Shares
- 16.11 For the purposes of this Article 16, "**Market Value**" shall mean the value of the shares at the last established valuation of the Company as calculated in accordance with section 272 of the Taxation of Chargeable Gains Act 1992.

## **17 TAG ALONG**

- 17.1 No sale transfer or dealing of the legal or beneficial interest in any shares by the Majority Shareholder may be made validly or registered unless and until the proposed transferee or his nominee (the "**Offeror**") has made an offer in writing (the "**Offer**") to all shareholders in the Company and all holders of Options who are, will or may, become entitled to exercise an Option as a result of the Offer (the "**Tag Along Shares**").
- 17.1.1 the Offer must be conditional only upon the Offeror having received acceptances in respect of the shares which, together with any shares held by the Offeror, will result in the Offeror becoming a Majority Shareholder.
  - 17.1.2 the Offer Must be open for acceptances for a period of not less than 21 days and not more than 60 days, and
  - 17.1.3 the Offer must be in cash, or have a cash alternative and be at the same value as that offered to the Majority Shareholder.
- 17.2 If the Offer becomes unconditional in all respects the Tag Along Shares may be transferred to the Offeror without restriction provided that the Offeror completes at the same time the purchase of all the Tag Along Shares in respect of which the Offer is accepted.

- 17.3 Any transfer pursuant to this Article shall not be subject to any pre-emption rights or other restrictions on transfer and any such provisions are hereby waived.

## **18 DRAG ALONG RIGHTS**

- 18.1 If an Offeror receives acceptances of an Offer (on terms which comply with Article 17.1) which will, or would, result in such Offeror becoming a Majority Shareholder then such Offeror may serve a notice (a "**Compulsory Acquisition Notice**") on the terms set out in this Article 18.

- 18.2 The Compulsory Acquisition Notice may be given by the Offeror to any members who have not accepted the Offer and any holders of Options who are, will, or may, become entitled to exercise an Option if the Offer is accepted and completed (a "**Drag Along Shareholder**") Upon the giving of such Compulsory Acquisition Notice each Drag Along Shareholder shall:

18.2.1 be deemed to have accepted the Offer in accordance with its terms in respect of all shares held by him or acquired by him pursuant to the exercise of Options, and

18.2.2 becomes obliged to deliver up to the Offeror or its nominee an executed transfer of such shares and the certificate(s) in respect of the same.

- 18.3 If any Drag Along Shareholder shall not, within 14 days of becoming required to do so, execute transfers in respect of the shares held by him, then the directors of the Company shall be entitled to, and shall, authorise and instruct such person as they think fit to execute the necessary transfer(s) on the Drag Along Shareholder's behalf and, against receipt by the Company (on trust for such member) of the purchase monies payable for the relevant shares, deliver such transfer(s) to the Offeror or its nominee and register the Offeror or its nominee as the holder thereof, and after the Offeror or its nominee has been registered as the holder the validity of such proceedings shall not be questioned by any person.

- 18.4 Any transfer pursuant to this Article shall not be subject to any pre-emption rights or other restrictions on transfer and any such provisions are hereby waived.