

Company Number: 02802324

 **COPY**

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION OF THE SHAREHOLDERS
of
ANGLO PACIFIC MINERALS LIMITED
(Company)

Circulation Date *13 December* 2019

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution be passed as a special resolution (**Resolution**).

SPECIAL RESOLUTION

THAT the articles of association of the Company be amended by replacing them in their entirety with new articles of association, a copy of which can be found attached to this written resolution.



AGREEMENT

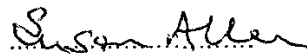
Please read the notes at the end of this document before signifying your agreement to the Resolution.

We the undersigned, being the persons entitled to vote on the above Resolution on the Circulation Date, hereby irrevocably agree to the Resolution set out above.


.....

JOHN ALLEN

Date: 13. 12. 2019


.....

SUSAN MARGARET ALLEN

Date: 13 December 2019


.....

ANGLO PACIFIC MINERALS HONG KONG LIMITED, acting by Rory Allen, a duly-authorised signatory, in accordance with the laws of the territory in which it is incorporated

Date: 13 December 2019

NOTES

1. If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following delivery methods:
 - **By hand:** delivering the signed copy to John Allen, Anglo Pacific Minerals Limited, 7-9 The Avenue, Eastbourne, East Sussex BN21 3YA; or
 - **Post:** returning the signed copy by post to John Allen, Anglo Pacific Minerals Limited, 7-9 The Avenue, Eastbourne, East Sussex BN21 3YA; or
 - **Email:** by attaching a scanned copy of the signed document to an email and sending it to j.allen@angpacmin.com. Please type "written resolution dated 13 Decemb 2019" in the email subject box.
2. If you do not agree to the Resolution, you do not need to do anything. You will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.
4. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us as soon as possible.
5. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
6. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

 **COPY**

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ANGLO PACIFIC MINERALS LIMITED

Company No 02802324

CONTENTS

ARTICLE

1. Interpretation	4
2. Adoption of the Model Articles	8
3. Shareholders' reserve power	9
4. Directors' meetings.....	9
5. Directors to take decisions collectively	10
6. Unanimous decisions of directors	10
7. Calling a directors' meeting	10
8. Quorum for directors' meetings	10
9. Voting at directors' meetings	11
10. Chairing of directors' meetings.....	11
11. Situational conflicts of interest.....	11
12. Transactional conflicts of interest.....	12
13. Records of decisions to be kept.....	12
14. Appointment and removal of directors	13
15. Alternate directors	13
16. Appointment and removal of secretary	15
17. Share capital – classes of Shares.....	15
18. Share rights - capital	15
19. Share rights – redesignations and variations of class rights	16
20. Share transfers: general.....	16
21. Pre-emption rights on the transfer of Shares	18
22. Permitted Transfers.....	22
23. Compulsory Transfers.....	23
24. Valuation	25
25. Drag along.....	26

26.	Tag along	27
27.	Quorum for general meetings	29
28.	Chairing general meetings	29
29.	Voting	29
30.	Poll votes.....	29
31.	Proxies	29
32.	Means of communication to be used	30
33.	Indemnity and insurance	30

COMPANY NO. 02802324
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
Anglo Pacific Minerals Limited (Company)

(Adopted by special resolution passed on 13 December 2019)

Introduction

1. Interpretation

1.1 In these Articles, the following words have the following meanings:

Act: the Companies Act 2006.

Accepting Shareholder: has the meaning given in article 26.5 (*Tag along*).

Acting in Concert: has the meaning given in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

Adoption Date: the date of adoption of these Articles.

Allocation Notice: has the meaning given in article 21.13 (*Pre-emption rights on the transfer of Shares*).

Applicant: has the meaning given in article 21.15 (*Pre-emption rights on the transfer of Shares*).

Appointor: has the meaning given in article 15.1 (*Alternate directors*).

Approval Notice: has the meaning given in article 21.4 (*Pre-emption rights on the transfer of Shares*).

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

Authorisation: has the meaning given in article 11.2 (Situational conflicts of interest).

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

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

Called Shares: has the meaning given in article 25.1 (*Drag along*).

Civil Partner: in relation to a shareholder, a civil partner as defined in the Civil Partnership Act 2004.

Compulsory Employee Transfer: has the meaning given in article 23.1 (*Compulsory transfers*).

Completion Date: has the meaning given in article 25.2(d) (*Drag along*).

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

Conflicted Director: has the meaning given in article 11.1 (*Situational conflicts of interest*).

Connected Person: a person connected with another within the meaning of section 839 of the Income and Corporation Taxes Act 1988.

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

Departing Employee Shareholder: an Employee Shareholder who ceases to be a director or employee of the Company (other than by reason of death).

Drag Along Notice: has the meaning given in article 25.2 (*Drag along*).

Drag Along Option: has the meaning given in article 25.1 (*Drag along*).

Eligible Director: 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).

Employee Shareholder: a Shareholder who is, or has been, a director and/or an employee of the Company.

Fair Value: in relation to shares, as determined in accordance with article 24 (*Valuation*).

Family Trust: in relation to a shareholder, a trust set up wholly for the benefit of that shareholder and/or that shareholder's Privileged Relations.

First Offer Period: has the meaning given in article 21.10 (*Pre-emption rights on the transfer of Shares*).

First Offer Shareholders: in respect of an offer of:

- (a) A ordinary Shares, the holders of B ordinary Shares and C ordinary Shares (if any);
- (b) B ordinary Shares, the holders of A ordinary Shares (if any); and
- (c) C ordinary Shares, the holders of A ordinary Shares (if any).

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

- (a) retirement, permanent disability or permanent incapacity through ill health;
- (b) redundancy (as defined in the Employment Rights Act 1996); or
- (c) dismissal by the Company which is determined by an employment tribunal or a court of competent jurisdiction, from which there is no right of appeal, to be wrongful.

Initial Surplus Shares: has the meaning given in article 21.11(c) (*Pre-emption rights on the transfer of Shares*).

Interested Director: has the meaning given in article 12.1 (*Transactional conflicts of interest*).

Majority Decision: a majority decision taken at a meeting of the Directors.

Model Articles: 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 and reference to a numbered Model Article is a reference to that article of the Model Articles.

Offer Notice: has the meaning given in article 26.3 (*Tag along*)

Offer Period: has the meaning given in article 26.3 (*Tag along*).

Offer Shares: has the meaning given in article 26.3(d) (*Tag along*)

Original Shareholder: a Shareholder who holds Shares in the Company on the Adoption Date.

Permitted Transfer: a transfer of shares made in accordance with article 22 (*Permitted Transfers*).

Permitted Transferee: in relation to a shareholder, any of his Privileged Relations or the trustees of his Family Trust(s).

Privileged Relation: the spouse or Civil Partner of a shareholder and the shareholder's children and grandchildren (including step and adopted children and grandchildren).

Proposed Buyer: has the meaning given in article 25.1 (*Drag along*).

Proposed Sale Price: has the meaning given in article 21.1 (*Pre-emption rights on the transfer of Shares*).

Proposed Transfer: has the meaning given in article 26.1 (*Tag along*).

Sale Date: has the meaning given in article 26.3 (*Tag along*).

Sale Shares: has the meaning given in article 21.1 (*Pre-emption rights on the transfer of Shares*).

Second Offer Period: has the meaning given in article 21.12 (*Pre-emption rights on the transfer of Shares*).

Second Offer Shareholders: in respect of an offer of:

- (a) A ordinary Shares, all other Shareholders;
- (b) B ordinary Shares, the holders of C ordinary Shares (if any);
- (c) C ordinary Shares, the holders of B ordinary Shares (if any).

Second Surplus Shares: has the meaning given in article 21.13 (*Pre-emption rights on the transfer of Shares*).

Seller: has the meaning given in article 21.1 (*Pre-emption rights on the transfer of Shares*).

Selling Original Shareholders: has the meaning given in article 26.1 (*Tag along*).

Selling Shareholders: has the meaning given in article 25.1 (*Drag along*).

Shareholder: a holder of Shares from time to time.

Shareholder Consent: the prior consent of the holders for the time being of 75% of the issued share capital of the Company.

Shares: the shares in the Company from time to time.

Specified Price: has the meaning given in article 26.2 (*Tag along*).

Tag Buyer: has the meaning given in article 26.1 (*Tag along*).

Tag Offer: has the meaning given in article 26.2 (*Tag along*).

Termination Date:

(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made *in lieu* of notice, the date on which notice of termination was served;

(c) where the Employee Shareholder concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the Company is terminated; or

(d) in any other case, the date on which the employment or holding of office is terminated.

Transaction: has the meaning given in article 12.1 (*Transactional conflicts of interest*).

Transfer Notice: has the meaning given in article 21.1 (*Pre-emption rights on the transfer of Shares*)

Transfer Price: has the meaning given in article 21.7 (*Pre-emption rights on the transfer of Shares*).

Unanimous Decision: has the meaning given in article 6.1 (*Unanimous decisions of directors*).

Usual Business Hours: has the meaning given in 32.2 (*Means of communication to be used*).

Valuers: Humphrey & Co, 7-9 The Avenue, Eastbourne, East Sussex BN21 3YA or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 10 Business Day period referred to in article 21.7, 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); and

writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise (but expressly excluding transmission by fax).

- 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 those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as amended, extended or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but this Article 1.5 shall not operate so as to impose on any person any greater obligation than would otherwise apply.
- 1.6 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7 Unless the context otherwise requires:
 - (a) words denoting the singular shall include the plural and *vice versa*; and
 - (b) words denoting one gender shall include all genders.
- 1.8 A reference to a transfer of shares or any similar expression shall include a sale or transfer of any interest in any shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted or created over any shares.

2. Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 4, 6(2), 7, 8, 11 to 14 (inclusive), 16, 17, 22(2), 26(5), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 27(2)(a) and (b) shall be amended by the insertion, in each case, of the words "and to any other agreement to which the holder was party at the time of his or her death" after the words "subject to the articles".
- 2.6 Model Article 28(2) shall be amended by the deletion of the word "If" and the insertion of the words "Subject to the Articles and to any other agreement to which the holder was party at the time of his or her death, if" in its place.
- 2.7 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

Directors

3. Shareholders' reserve power

- 3.1 The Shareholders may, by special resolution passed with Shareholder Consent, direct the directors to take, or refrain from taking, specified action.
- 3.2 No special resolution passed pursuant to article 3.1 invalidates anything which the directors have done before the passing of that resolution.

4. Directors' meetings

- 4.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 5 (*Directors to take decisions collectively*) or article 6 (*Unanimous decisions of directors*).
- 4.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will meet quarterly at a minimum, which may include holding a meeting by way of conference call by way of a directors' meeting if unable to meet in person.
- 4.3 If at any time before or at any meeting of the directors any director participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

5. Directors to take decisions collectively

- 5.1 The general rule about decision-making by directors is that any decision of the directors must be either a Majority Decision or a Unanimous Decision.
- 5.2 If at any time the Company only has one director, the general rule in article 5.1 does not apply and that director may (until such time as he ceases to be the only director) take decisions without regard to any of the provisions of these Articles relating to directors' decision-making.

6. Unanimous decisions of directors

- 6.1 A **Unanimous Decision** 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.
- 6.2 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.
- 6.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

7. Calling a directors' meeting

Article 9 of the Model Articles shall be amended by:

- (a) inserting the words "each of" before the words "the directors";
- (b) by inserting the phrase "(including alternate directors), whether or not he is absent from the UK," after the words "the directors";
- (c) by inserting the words "subject to article 9(4)" at the beginning of article 9(3) of the Model Articles; and
- (d) by inserting the words "prior to or up to and including" before the words "not more than seven days" in article 9(4) of the Model Articles.

8. Quorum for directors' meetings

- 8.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, unless there is only one director, in which case the provisions of article 5.2 (*Directors to take decisions collectively*) shall apply.
- 8.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.

- 8.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for five Business Days at the same time and place.

9. **Voting at directors' meetings**

Subject to the other provisions of these Articles, each director participating in a directors' meeting has one vote on each proposed resolution.

10. **Chairing of directors' meetings**

- 10.1 The directors may appoint a director to be chair of the board of directors and may terminate the appointment of such chair.
- 10.2 If the chair for the time being is unable to attend any meeting of the board of directors, or is not attending within 10 minutes of the time it which is was due to start, the directors who are participating may appoint one of their number to chair the meeting.
- 10.3 If the numbers for and against a proposal are equal, the chair or other director chairing the meeting shall have a casting vote.
- 10.4 The provisions of article 10.3 will not apply if, in accordance with the Articles, the chair or other director chairing the meeting is not to be counted as participating in the decision-making process for quorum or voting purposes.

Directors' interests

11. **Situational conflicts of interest**

- 11.1 Subject to the other provisions of these articles:-

- (a) the Company may in general meeting with Shareholder Consent; and
- (b) the directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this article 11;

authorise any matter which would, if not authorised, result in a director (**Conflicted Director**) being in breach of his duty under section 175 of the Act to avoid Conflict.

- 11.2 Any authorisation given under article 11.1 (**Authorisation**) (and any subsequent variation or termination of an Authorisation) will only be effective if:

- (a) any requirement as to the quorum at the directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested director); and
- (b) the matter was agreed to without the Conflicted Director (or any other interested director) voting or would have been agreed to if his (or any other interested director's) vote had not been counted.

11.3 The directors may (with Shareholder Consent) and the Company in general meeting may (with Shareholder Consent) at any time:

- (a) make any Authorisation subject to such terms and conditions as they think fit; and
- (b) vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination).

11.4 Unless as a condition of the relevant Authorisation the directors provide otherwise, a Conflicted Director who has received an Authorisation in relation to a Conflict:

- (a) may vote at any future directors' meeting (or meeting of a committee of the directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is participating at that meeting;
- (b) may absent himself from the whole or any part of any directors' meeting (or meeting of a committee of the directors) at which anything relating to that Conflict may be discussed;
- (c) shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party; and
- (d) shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict.

12. Transactional conflicts of interest

12.1 If a director (**Interested Director**) is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (a **Transaction**) he must declare the nature and extent of that interest to the other directors in accordance with the provisions of the Act.

12.2 Subject to the provisions of the Act, article 12.1 and the terms of any relevant Authorisation, an Interested Director:

- (a) may be a party to, or otherwise be interested in, the relevant Transaction;
- (b) may vote at any directors' meeting (or meeting of a committee of the directors) on any resolution in respect of that Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is participating in that meeting; and
- (c) shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Transaction and that Transaction shall not be liable to be avoided on the ground of his interest.

13. 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 a form that enables the Company to retain a copy of such decisions.

14. Appointment and removal of directors

- 14.1 Any Shareholder holding a minimum of 25% of the issued share capital of the Company shall be entitled to appoint, remove or substitute one natural person to be a director of the Company. For the avoidance of doubt, such director may in each case be the Shareholder in question and in such instance the Shareholders may not withhold or delay their consent to the appointment and the Shareholder in question shall not have the right to appoint an additional person as a director under this article. As at the Adoption Date such appointments as are desired by Shareholders holding a minimum of 25% or more of the issued share capital of the Company shall be deemed to have been made.
- 14.2 Any director who is an employee of the Company and who ceases to be an employee shall be removed from office as a director from the date his employment ceases.
- 14.3 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the appointer and served on each of the other Shareholders and the Company at its registered office or delivered to a duly-constituted meeting of the directors of the Company and on the director himself in the case of his removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 14.4 On removal of a director the appointer shall indemnify and keep indemnified the Company against any claim connected with that director's removal from office.
- 14.5 The directors with Shareholder Consent may appoint any other person to be an additional director and the Company may by ordinary resolution with Shareholder Consent appoint any other person to be a director.
- 14.6 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 have a bankruptcy order made against him (as the case may be) have the right, by notice in writing to the Company, to appoint a natural person to be a director.
- 14.7 For the purposes of article 14.6, where two or more Shareholders die in circumstances rendering it uncertain who was the later or last to die, a younger Shareholder is deemed to have survived an older Shareholder.

15. Alternate directors

- 15.1 Any director (other than an alternate director) (**Appointor**) may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. A person may be appointed an alternate director by more than one director.

Directors shall discuss the proposed identity of a proposed alternate director with the other directors before appointing such person as their alternate director.

15.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

15.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

15.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

15.5 Except as the Articles specify otherwise, alternate directors:

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

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors.

15.6 A person who is an alternate director but not a director may, subject to his being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and
- (b) participate in a Unanimous Decision (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).

15.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.

15.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration

otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

15.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
- (c) on the death of the alternate's Appointor; or
- (d) when the alternate director's Appointor ceases to be a director for whatever reason.

Secretary

16. Appointment and removal of secretary

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration, and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

Shares

17. Share capital – classes of Shares

The Company may from time to time issue Shares of different classes with different rights and restrictions attached to them. As at the Adoption Date the Company has the following predefined classes of ordinary Shares:

- (a) A ordinary Shares;
- (b) B ordinary Shares; and
- (c) C ordinary Shares.

Except as otherwise provided in these Articles, the A ordinary Shares, the B ordinary Shares and the C ordinary Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares.

18. Share rights - capital

On a return of assets (whether on a liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of

the Shares *pari passu* as if all of the Shares constituted one class of Share and in proportion as nearly as possible to the number of Shares held by them respectively.

19. Share rights – redesignations and variations of class rights

19.1 On the transfer of any Share as permitted by these Articles:

- (a) a Share transferred to a non-Shareholder shall remain of the same class as before the transfer; and
- (b) a Share transferred to a Shareholder shall automatically be redesignated on transfer as a Share of the same class as those shares already held by the Shareholder.

If no Shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, Shareholders of that class or directors appointed by that class.

19.2 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of the holders of at least 75% of the relevant class of Shares. Where a resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provision of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be the Shareholder(s) holding Shares of the relevant class present in person or by proxy. For the purpose of this Article, the Shareholder(s) present in person or by proxy may constitute a meeting.

19.3 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:

- (a) any alteration in the Articles;
- (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; and
- (c) any resolution to put the Company into liquidation.

19.4 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the Act.

20. Share transfers: general

20.1 No Shareholder shall transfer any Share except:

- (a) with Shareholder Consent which for these purposes must include the express consent of the holder(s) of A ordinary Shares from time to time;

- (b) a Shareholder may transfer all (but not some only) of his shares in the Company for cash and not on deferred terms in accordance with the procedure set out in article 21.4; or
 - (c) in accordance with article 22 (*Permitted Transfers*); or
 - (d) in accordance with article 23 (*Compulsory Transfers*); or
 - (e) in accordance with article 25 (*Drag along*); or
 - (f) In accordance with article 26 (*Tag along*).
- 20.2 Subject to article 20.3, the directors shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles and any Shareholders' agreement (or similar document) in force between the Shareholders.
- 20.3 The directors may, as a condition to the registration of any transfer of Shares (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the Act if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the Act and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any Shareholders' agreement (or similar document) in force between the Shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition or conditions are imposed in accordance with this article 20.3, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the Act if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the Act.
- 20.4 To enable the directors to determine whether or not there has been a transfer of Shares in breach of these Articles, the directors may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a Shareholder fails to provide information or evidence in respect of any Shares registered in his name to the reasonable satisfaction of such directors within 14 days of their request or, as a result of the information and evidence provided such directors are reasonably satisfied that a breach has occurred, then such directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to those Shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares of that class, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares. The directors may reinstate these rights at any time.
- 20.5 Any transfer of Shares by way of a sale under these Articles shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.

- 20.6 Any Transfer Notice served in respect of the transfer of any Shares (and any related Transfer Notice deemed to have been served by a Permitted Transferee under article 21.5) which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.
21. **Pre-emption rights on the transfer of Shares**
- 21.1 Except where the provisions of article 22 (*Permitted Transfers*) or article 23 (*Compulsory Transfers*) or article 25 (*Drag along*) or article 26 (*Tag along*) apply, a Shareholder (**Seller**) wishing to transfer his Shares (**Sale Shares**) must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including:
- (a) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
 - (b) the price (in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).
- 21.2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 21.3 If an Original Shareholder serves a Transfer Notice under article 21.1, or is deemed to have served a Transfer Notice under article 23, any Permitted Transferee of that Original Shareholder to whom Shares have been transferred in accordance with article 22.1 is also deemed to have served a Transfer Notice in respect of all his Shares on the same date as the Original Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Deemed Transfer Notice).
- 21.4 As soon as practicable following the receipt of a Transfer Notice, the directors shall hold a board meeting in order to consider the transfer of the Sale Shares to a third party. The board in its absolute discretion:
- a. may, subject always to the provisions of the Act, require that the Company buys back the Sale Shares and the Shareholders shall pass all necessary resolutions including to approve a buy back agreement in order to give effect to the same (**Buy Back**), or
 - b. shall be entitled to approve such transfer and, if approved, shall give written notice of its approval to the Seller (**Approval Notice**). On the service of the Approval Notice, the Seller shall, against payment of the relevant consideration, transfer the Sale Shares, or
 - c. if rejected, shall offer the Sale Shares for sale to the Shareholders in the manner set out in this article 21. Each offer shall be in writing and give details of the number and Proposed Sale Price.
- 21.5 If an Original Shareholder serves a Transfer Notice under article 21.1, or is deemed to have served a Transfer Notice under article 22, any Permitted Transferee of that Original Shareholder to whom Shares have been transferred in accordance with article 22.1 is also deemed to have served a Transfer Notice in respect of all his shares on the same date as the Original

Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Deemed Transfer Notice).

- 21.6 Once given, a Transfer Notice may only be withdrawn by the Seller where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price. In such case, the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Any Deemed Transfer Notice in respect of a Permitted Transferee's shares under article 21.5 will be withdrawn at the same time as the withdrawal by the Original Shareholder of his Transfer Notice under this article 21.6. Except as provided in this article, a Deemed Transfer Notice may not be withdrawn.
- 21.7 The **Transfer Price** for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Original Shareholder(s) or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article 24 (*Valuation*). The Transfer Price for each Sale Share of a Permitted Transferee the subject of a Deemed Transfer Notice under article 21.5 shall be the same as the Transfer Price for each Sale Share of the Original Shareholder.
- 21.8 As soon as practicable following the determination of the Transfer Price, the directors shall (unless the Transfer Notice is withdrawn in accordance with article 21.6) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 21 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 21.9 The directors shall, subject to article 21.14, offer the Sale Shares in the following order of priority:
- (a) first, to the First Offer Shareholders (if any); and
 - (b) second, to the Second Offer Shareholders, in each case excluding any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice.
- 21.10 The directors shall offer the Sale Shares first to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 21.11 If:
- (a) at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares of the class being offered bears to the total number of shares of that class (excluding those held by the Seller). Fractional entitlements shall be

rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the First Offer Shareholders shall be determined by the directors). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

- (b) not all Sale Shares are allocated following allocations in accordance with article 21.11(a), but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 21.11(a). The procedure set out in this article 21.11(a) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) 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 directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article 21.12.

21.12 At the end of the First Offer Period, the directors shall offer the Initial Surplus Shares (if any) to the Second Offer Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.

21.13 If:

- (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the directors shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of shares of the class held by Second Offer Shareholders bears to the total number of shares of that class. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Second Offer Shareholders shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy;
- (b) not all Initial Surplus Shares are allocated following allocations in accordance with article 21.13(a) but there are applications for Initial Surplus Shares that have not been satisfied, the directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in article 21.13(a). The procedure set out in this article 21.13(a) shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and

- (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) may be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 21.16.
- 21.14 In the event that there are no First Offer Shareholders (other than the Seller(s)) at the date of the Transfer Notice and/or Deemed Transfer Notice(s) (as the case may be), article 21.13 and article 21.14 shall apply but the Sale Shares shall be offered first to the Second Offer Shareholders and the provisions of those articles shall apply to an offer of the Sale Shares to the Second Offer Shareholders *mutatis mutandis*.
- 21.15 The directors shall, when no further offers or allocations are required to be made under article 21.9 to article 21.13 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least five Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 21.16 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant or subject to agreement between the Seller and the Applicant that payment may be made over a period of time not exceeding 24 months, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof).
- 21.17 If the Seller fails to comply with article 21.16:
 - (a) the chair (or, failing the chair, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the board may reasonably require to prove good title to those Sale Shares, to the Company.

21.18 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 20 Business Days following the date of service of the Allocation Notice, transfer the Initial Surplus Shares (subject to article 21.14) or the Second Surplus Shares (subject to article 21.13(c)) (as the case may be) to the buyer identified in the Transfer Notice (if any) at a price at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Initial Surplus Shares or Second Surplus Shares (as the case may be) to a third party buyer if that buyer was not identified in the Transfer Notice.

22. Permitted Transfers

22.1 Subject to Shareholder Consent and subject to article 22.2, an Original Shareholder may transfer some or all of the issued Shares of the class held by that Original Shareholder on the Adoption Date to any of his Permitted Transferees without being required to follow the steps set out in article 21 (*Pre-emption rights on the transfer of Shares*).

22.2 An Original Shareholder may only transfer Shares to the trustees of a Family Trust if the holder(s) of a majority of the other classes of Shares are satisfied:

- (a) with the terms of the Family Trust and, in particular, with the powers of the trustees;
- (b) with the identity of the trustees; and
- (c) that no costs (including any liability to tax) incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

22.3 Subject to Shareholder Consent and subject to article 22.2, any Shareholder holding Shares as a result of a Permitted Transfer made by an Original Shareholder in accordance with this article 22 may, at any time, transfer his shares back to that Original Shareholder or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 21 (*Pre-emption rights on the transfer of Shares*).

22.4 If a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, that Privileged Relation shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise but not by reason of death) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, failing which he shall be deemed to have given a Transfer Notice in respect of the Shares in accordance with article 21 (*Pre-emption rights on the transfer of Shares*) and article 23.2 (*Compulsory Transfers*).

22.5 On the death or bankruptcy of a Privileged Relation (other than a joint holder), his personal representatives or trustee in bankruptcy (as the case may be) shall offer the Shares held by the Privileged Relation for transfer to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, within 40 Business Days

after the grant of probate or the making of the bankruptcy order (as the case may be), for such consideration as may be agreed between the Original Shareholder and the personal representatives or trustee in bankruptcy (as the case may be). If:

- (a) a transfer of the Shares has not been executed and delivered within 40 Business Days of the grant of probate or the making of the bankruptcy order (as the case may be); or
- (b) the Original Shareholder is himself the subject of a bankruptcy order,

the personal representatives or trustee in bankruptcy (as the case may be) shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article 21 (*Pre-emption rights on the transfer of Shares*) and article 23.2 (*Compulsory Transfers*).

- 22.6 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 10 Business Days of that Family Trust ceasing to be wholly for the benefit of the settlor and/or the settlor's Privileged Relations execute and deliver to the Company a transfer of the shares held by them or the Family Trust to the Original Shareholder or, if so directed by the Original Shareholder, to a Permitted Transferee of the Original Shareholder, for such consideration as may be agreed between them, failing which the trustees shall be deemed to have given a Transfer Notice in respect of the shares in accordance with article 21 (*Pre-emption rights on the transfer of Shares*) and article 23.2 (*Compulsory Transfers*).

23. Compulsory Transfers

- 23.1 Subject to article 22.5 (*Permitted Transfers*), a Shareholder is deemed to have served a Transfer Notice in accordance with article 21.1 (*Pre-emption rights on the transfer of Shares*) immediately before any of the following events:

- (a) an order being made for the Shareholder's bankruptcy; or
- (b) an arrangement or composition with any of the Shareholder's creditors being made; or
- (c) the Shareholder convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (d) the Shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (e) a receiver being appointed over or in relation to, all or any material part of the Shareholder's assets; or
- (f) the happening in relation to a Shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- (g) the Shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding;

- (h) the Shareholder (being an Employee Shareholder) (other than an Original Shareholder who is a Good Leaver) becoming a Departing Employee Shareholder (a **Compulsory Employee Transfer**) (unless the directors otherwise direct in writing within 10 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served). For the purpose of this article 23.1(h), the Transfer Notice is deemed to have been served on the relevant Termination Date; or
- (i) the Shareholder committing a material or persistent breach of any Shareholders' agreement to which he 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 holder(s) of a majority of the shares of the other classes requiring such remedy.

23.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) 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 Transfer Price for the Sale Shares shall be the aggregate Fair Value of those Shares, determined by the Valuers in accordance with article 24 (*Valuation*);
- (b) the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is:
 - (i) a Bad Leaver, be restricted to 25% of the aggregate Fair Value of such Sale Shares; and
 - (ii) a Good Leaver, be the aggregate Fair Value of such Sale Shares; and
- (c) if the Seller is deemed to have given a Transfer Notice as a result of article 23.1(h), the Transfer Price shall be restricted to a maximum of 25% of the aggregate Fair Value of such Sale Shares

23.3 A Deemed Transfer Notice under article 23.1(h) or article 23.1(i) shall, save where the relevant Shareholder is a Good Leaver, immediately and automatically revoke:

- (a) a Transfer Notice served by the relevant Shareholder or any of his Permitted Transferees (and any Transfer Notices deemed to have been served by any of his Permitted Transferees under article 22.4 (*Permitted Transfers*), where the relevant Shareholder is an Original Shareholder) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 23.1(h) or 23.1(i) as the case may be; and
- (b) a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 23.1(a) to article 23.1(g)(inclusive) (and any Transfer Notices deemed to have been served by any of his Permitted Transferees) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 23.1(h) or 23.1(i) as the case may be.

23.4 If the Deemed Transfer Notice is in respect of the Sale Shares of an Original Shareholder, and the Allocation Notice(s) in respect of those Sale Shares and the Sale Shares of any Permitted Transferees of that Original Shareholder do not, together, relate to all of the ordinary A Shares, all of the ordinary B Shares, all of the ordinary C Shares in issue (as the case may be), the Company shall be wound up immediately upon the holder(s) of a majority Shares that do not constitute the Sale Shares giving notice in writing to the Company to that effect within 10 Business Days of the date of the Allocation Notice(s).

24. Valuation

24.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.

24.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:

- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
- (d) the Sale Shares are sold free of all encumbrances;
- (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
- (f) to take account of any other factors that the Valuers reasonably believe should be taken into account.

24.3 The Shareholders are entitled to make submissions to the Valuers, including oral submissions, 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.

24.4 To the extent not provided for by this article 24, 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.

24.5 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.

- 24.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article 21.6 (*Pre-emption rights on the transfer of Shares*), in which case the Seller shall bear the cost.
25. **Drag along**
- 25.1 If the holders for the time being of shares then in issue carrying not less than 75% of the voting rights of the Company (**Selling Shareholders**) wish to transfer all (but not some only) of their respective shares to a *bona fide* purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other holders of shares in the Company to sell and transfer 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**).
- 25.2 The Selling 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 Selling Shareholders' shares to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the relevant Called Shareholder is required to transfer all of his Called Shares pursuant to this article 25;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) 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 Original Shareholders' shares; and
 - (d) the proposed date of the transfer (**Completion Date**)
- 25.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold their respective shares to the Proposed Buyer within 60 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.
- 25.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article 25.
- 25.5 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 Selling Shareholders' shares unless:
- (a) the Selling Shareholders and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - (b) that date is less than five Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the sixth Business Day after service of the Drag Along Notice.

- 25.6 Neither the proposed sale of the Selling Shareholders' shares to the Proposed Buyer nor the sale of the Called Shares by the Called Shareholders shall be subject to the rights of pre-emption set out in article 21 (*Pre-emption rights on the transfer of Shares*).
- 25.7 On or before the Completion Date, the Called Shareholders shall execute and deliver (a) stock transfer form(s) for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) 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 25.2 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.
- 25.8 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 form(s) and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 25 in respect of their shares.
- 25.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 25.7) transfer(s) in respect of all of the Called Shares held by him, that Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute all necessary transfer(s) on his 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 he 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 such person. Failure to produce a share certificate shall not impede the registration of shares under this article 25.9.
26. **Tag along**
- 26.1 The provisions of article 26.2 to article 26.6 shall apply if, in one or a series of related transactions, one or more Original Shareholders (**Selling Original Shareholders**) propose to transfer any of the shares (**Proposed Transfer**) which would, if carried out, result in any person (other than a member as at the date of adoption of these Articles) (**Tag Buyer**) and any person Acting in Concert with the Tag Buyer, acquiring 75% or more of the shares carrying voting rights in the Company.
- 26.2 Before making a Proposed Transfer, the Selling Original Shareholders shall procure that the Tag Buyer makes an offer (**Tag Offer**) to the other shareholders to purchase all of the shares held by them for a consideration in cash per share that is at least equal to the highest price per share offered or paid by the Tag Buyer, or any person Acting in Concert with the Tag Buyer, in the

Proposed Transfer or in any related previous transaction in the six months preceding the date of the Proposed Transfer (**Specified Price**).

- 26.3 The Offer shall be given by written notice (**Offer Notice**), at least 10 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Tag Buyer,
 - (b) the purchase price and other terms and conditions of payment,
 - (c) the Sale Date, and
 - (d) the number of shares proposed to be purchased by the Tag Buyer (**Offer Shares**).
- 26.4 If the Tag Buyer fails to make the Tag Offer to all holders of shares in the Company in accordance with article 26.2 and article 26.3 the Selling Original Shareholders shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.
- 26.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 26.6 The Proposed Transfer is subject to the pre-emption provisions of article 21 (*Pre-emption rights on the transfer of Shares*), but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

Decision making by Shareholders

27. Quorum for general meetings

- 27.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be three persons present in person or by proxy, each of whom shall be an Original Shareholder or his proxy.
- 27.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

28. Chairing general meetings

The chair of the board of directors shall chair general meetings. If the chair is unable to attend any general meeting, the Shareholder who appointed him may himself act as chair of the general meeting (where the chair of the board of directors and the Shareholder are not one and the same) or shall be entitled to appoint his proxy present at the meeting to act as chair at the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

29. Voting

At a general meeting, on a show of hands every Shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every Shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder, except that in the case of any resolution proposed, any Original Shareholder voting against such resolution (whether on a show of hands, a poll or on a written resolution) shall be entitled to cast such number of votes as is necessary to defeat the resolution.

30. Poll votes

- 30.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 30.2 Model Article 44(3) 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.

31. Proxies

- 31.1 Model Article 45(1)(d) 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 general meeting (or adjourned meeting) to which they relate".

- 31.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

Administrative arrangements

32. Means of communication to be used

- 32.1 Subject to article 32.2, any notice, document or other information shall be deemed received by the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address;
- (b) if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting; or
- (c) if sent by email, at the time of transmission.

- 32.2 If deemed receipt under article 32.1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, **Usual Business Hours** means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information (which, in the case of service by email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).

- 32.3 To prove service, it is sufficient to prove that:

- (a) if delivered by hand, the notice was delivered to the correct address;
- (b) if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

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

33. Indemnity and Insurance

- 33.1 Subject to article 33.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company 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, including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and
 - (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 33.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 33.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.
- 33.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 33.4 In this article:
 - (a) a "relevant officer" means any director or other officer or former director or other officer of the Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), 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; and
 - (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund or employees' share scheme of the Company.