

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF**

**BEECH VIEW HOLDINGS LIMITED**

**Held at Aldsworth Parade, Goring-by-Sea, West Sussex BN12 4TX  
on Wednesday 10<sup>th</sup> December 2014 at 10.00am**

**Present**

Peter Slowe

Terance Thornhill

**Apologies:**

Amanda Slowe

Peter Slowe took the chair

- 1 The Chairman noted that due notice of the meeting had been given to all shareholders and that a quorum was present
- 2 The minutes of the previous Extraordinary General Meeting held on 27 November 2014 were read, confirmed and signed
- 3 The Chairman proposed that new articles of association should be adopted by special resolution

IT WAS RESOLVED that the new articles of association of the Company in the form attached to these minutes should be adopted as the articles of association of the Company with immediate effect in substitution for, and to the exclusion of, the existing articles of association

- 4 There being no other business the meeting closed

  
Peter Slowe (Chairman)



Proxy Form

**Beech View Holdings Limited (Registered Number 03286143) (England and Wales)**

**Aldsworth Parade, Goring by Sea, West Sussex, BN12 4TX**

*I, being a member of Beech View Holdings Limited (the "Company") entitled to attend and vote at meetings of the Company hereby appoint*

Name **KAREN SLOWE**

As my proxy to attend and, on a poll, vote for me on my behalf at the annual general meeting of the Company to be held at Aldsworth Parade, Goring by Sea, West Sussex, BN12 4TX on Thursday 27<sup>th</sup> November at 10 00am

Signed 

Date **22<sup>nd</sup> November 2014**

**MINUTES OF THE EXTRAORDINARY GENERAL MEETING OF  
BEECH VIEW HOLDINGS LIMITED**

**Held at Aldsworth Parade, Goring-by-Sea, West Sussex BN12 4TX  
on Thursday 27<sup>th</sup> November 2014 at 10.00am**

**Present**

Karen Slowe (Proxy for Peter Slowe)

Terance Thornhill

**Apologies:**

Amanda Slowe

Terance Thornhill took the chair

- 1 The Chairman noted that due notice of the meeting had been given to all shareholders and that a quorum was present
- 2 The Chairman proposed the acceptance of the recommendation by the Directors to pay a dividend of twenty eight pounds per ordinary share to members on the share register at the close of business on 28<sup>th</sup> November 2014, to be paid on 1<sup>st</sup> December 2014

**IT WAS RESOLVED THAT** a Dividend would be paid as recommended by the Directors

- 3 There being no other business the meeting closed



Terance Thornhill (Chairman)

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**  
**OF**  
**BEECH VIEW HOLDINGS LIMITED**

**(Adopted by special resolution passed on 10 December 2014)**

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## INTRODUCTION

### 1. INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

**Act:** means the Companies Act 2006,

**Adoption Date:** the date of adoption of these Articles,

**appointor:** has the meaning given in article 12.1,

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

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

**Company:** means Beech View Holdings Limited (Company number 03286143),

**Conflict:** has the meaning given in article 8.1,

**Drag Along Documents:** means any or all of the stock transfer form, indemnity for lost share certificate, sale agreement, form of acceptance and deed of adherence and any other related documents required by Dragging Shareholders to be executed by Called Shareholders,

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

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

**Fair Value:** means the value of the Sale Shares determined in accordance with article 21

**Family Trust:** as regards any particular individual Shareholder (or deceased or former individual Shareholder) trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of his spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue),

**Independent Expert:** the auditors for the time being of the Company 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 5 Business Days of the expiry of the 10 Business Day period referred to in *article 21 1*, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),

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

**Ordinary Shares** the ordinary shares of £1 00 each in the capital of the Company,

**Original Shareholder:** a shareholder who transfers its shares to a Permitted Transferee in accordance with *article 19 3*,

**Permitted Group:** in relation to a company, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company, and each company in a Permitted Group is a member of the Permitted Group Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time,

**Permitted Transfer:** a transfer of Shares made in accordance with *article 19 3*,

**Permitted Transferee:** in relation to

(a) a Shareholder who is an individual, any of his spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue) or the trustee(s) of a Family Trust, and

(b) a Shareholder which is a company, any member of the same Permitted Group as that company,

**Preference Shares:** preference shares of £1 00 each in the capital of the Company,

**Transfer Notice:** a notice in writing given by any Shareholder to the Company where that shareholder desires to transfer (or enter into an agreement to transfer) any shares

**Relevant Securities:** any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date,

**Sale Shares:** the shares specified for sale in a Transfer Notice

**Seller:** the transferor of shares pursuant to a Transfer Notice

**Shareholder:** a holder for the time being of any Share or Shares, and

**Shares:** shares (of any class) in the capital of the Company and **Share** shall be construed accordingly

- 1 2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles
- 1 3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise
- 1 5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
- (a) any subordinate legislation from time to time made under it, and
  - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1 6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1 7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles
- 1 8 Articles 7, 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 26(5), 44(2), 52 and 53 of the Model Articles shall not apply to the Company
- 1 9 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary (if any)" before the words "properly incur"
- 1 10 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1 11 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"



- 1 12 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1 13 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

## **DIRECTORS**

### **2. DIRECTORS' MEETINGS**

- 2 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 3
- 2 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
- 2 3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes

### **3. UNANIMOUS DECISIONS**

- 3 1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 3 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
- 3 3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting

### **4. CALLING A DIRECTORS' MEETING**

- 4 1 Any director may call a directors' meeting by giving not less than 5 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice
- 4 2 Notice of a directors' meeting shall be given to each director in writing

### **5. QUORUM FOR DIRECTORS' MEETINGS**

- 5 1 Subject to article 5 2, the quorum for the transaction of business at a meeting of directors is any two eligible directors

5.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director

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

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors

## **6. CASTING VOTE**

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote

## **7. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director,
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in

section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

**8. DIRECTORS' CONFLICTS OF INTEREST**

8 1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

8 2 Any authorisation under this article 8 will be effective only if

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted

8 3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a

director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and

- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters

8 4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

8 5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

8 6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

#### **9. RECORDS OF DECISIONS TO BE KEPT**

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

#### **10. NUMBER OF DIRECTORS**

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

#### **11. APPOINTMENT OF DIRECTORS**

In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director

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

12 1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities,

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

12 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors

12 3 The notice must

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

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

13 1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor

13 2 Except as the Articles specify otherwise, alternate directors

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

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member

13 3 A person who is an alternate director but not a director

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

- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and
- (c) shall not be counted as more than one director for the purposes of articles 13 3(a) and (b)

13 4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present

13 5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company

#### **14 TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

#### **15. 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

### **SHAREHOLDERS**

#### **16. SHAREHOLDER PROTECTION**

16 1 Any shareholder or group of shareholders together holding not less than 30 per cent of the total number of Shares in issue shall have the right to appoint one director to the board of the Company and to remove or replace that director from time to time

16.2 Without the written consent of any Shareholder or group of Shareholders together holding not less than 75 per cent of the total number of Shares in issue the Company shall not

- (a) Alter its share structure by
  - (i) creating, allotting or issuing any further shares or granting any option or right that could involve the creation, allotment or issue of Shares,
  - (ii) passing a resolution for the reduction or cancellation of its share capital, or by
  - (iii) purchasing, redeeming or re-denominating the whole or any part of its share capital,
- (b) Change the nature of the business by
  - (i) selling, transferring or otherwise disposing of the whole or any material part of its business undertaking or assets,
  - (ii) making or permitting any material alteration to the general nature of the business carried on by it from time to time, or by
  - (iii) taking any steps to liquidate, strike off or put into administration or receivership either the Company or any of its trading subsidiaries
- (c) Make any distribution to ordinary shareholders by way of dividend or otherwise save on a pro rata basis,
- (d) Act other than prudently by
  - (i) making any loan or financial facility other than credit given in the ordinary course of business exceeding £250,000,
  - (ii) incurring any indebtedness in excess of £1 million,
  - (iii) acquiring any share or loan capital of or ownership or partnership interest in another body corporate for an amount exceeding £1 million,
  - (iv) giving any guarantee or incurring any similar liability in respect of the obligations of any person, firm or company other than a wholly owned subsidiary of the Company,
  - (v) materially changing the terms of employment of any director or by making any exceptional payment to him that substantially exceeds fair and reasonable reward for his executive services in such a way that it would be held to be prejudicial to any shareholder under Section 994 of the Act, or by
  - (vi) entering into any other transaction or arrangement which is not on arm's length terms or which is of a particularly long term or unusual nature,
- (e) Make any alteration to its Memorandum and Articles of Association, or

- (f) Enter into any agreement, commitment or arrangement to do any of the above

## SHARES

### 17. SHARE CAPITAL

17.1 The preference shares shall entitle the holders thereof to the following rights

- (a) in priority to payment of any dividend to the ordinary shareholders, the company shall pay to the holders of the preference shares in respect of each financial year of the Company a fixed cumulative preferential dividend at the rate of £6 per preference share quarterly in arrears on 31 March, 30 June, 30 September and 31 December in each year,
- (b) on a return of assets on liquidation or reduction of capital, the holders of the preference shares shall be entitled in respect of their preference shares in priority to the ordinary shareholders, only to be paid a fixed amount of £13,757 out of the surplus assets of the Company remaining after payment of its liabilities for each of their preference shares together with a sum equal to all arrears in respect of any dividend calculated down to the date of the return of assets,
- (c) the holders of the preference shares shall be entitled to receive notice of and attend at general meetings of the Company and to vote upon any resolution on the basis that each preference share shall count equivalent to one ordinary share,
- (d) within 14 days of any written demand to redeem made at any time by any preference shareholder any preference shares of which such demand is made shall be redeemed by the Company for a fixed amount of £13,757 for each such preference share

17.2 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a resolution of the holders 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 provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

17.3 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, 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

**18 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES**

18 1 Subject to the remaining provisions of this *article 18*, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to

(a) offer or allot,

(b) grant rights to subscribe for or to convert any security into, and

(c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

18 2 The authority referred to in *article 18 1*

(a) shall be limited to a maximum nominal amount of £1 million of Ordinary Shares (unless increased by the shareholders in general meeting),

(b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and

(c) may only be exercised for a period of five years from the Adoption Date (unless extended by the shareholders in general meeting) save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

18 3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

18 4 if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of Shares (each an **Offeree**) on a pari passu basis and in the respective proportions that the number of Shares held by each such holder bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person

- 18 5 An offer made under *article 18 4* shall
- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
  - (b) remain open for a period of at least 15 Business Days from the date of service of the offer, and
  - (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 18 4* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe
- 18 6 If, on the expiry of an offer made in accordance with *article 18 4*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement
- 18 7 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 18 4* shall be used to satisfy any requests for Excess Securities made pursuant to *article 18 5(c)*. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him)
- 18 8 If, after completion of the allotments referred to in *article 18 6* and *article 18 7*, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall be offered to the holders (on the date of this offer) of the Shares on a pari passu basis and in the respective proportions that the number of Shares held by each such holder bears to the total number of Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person. Such offer shall be made in accordance with *article 18 5* and the provisions of *article 18 6* and *article 18 7* shall, with necessary modifications, apply to such offer
- 18 9 If, after completion of the allotments referred to in *articles article 18 6* , *article 18 7* and *article 18 8*, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to *article 18 10* be offered to any other person(s) as the Directors may, determine, at the same price and on the same terms as the offer to the Shareholders
- 18 10 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003

**19. SHARE TRANSFERS**

- 19 1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share
- 19 2 No share shall be transferred unless the transfer is made in accordance with these Articles
- 19 3 A Shareholder may at any time transfer all (but not some only) of its shares in the Company to a Permitted Transferee without being required to serve a Transfer Notice or comply with the pre-emption procedure set out in article 20. If a Permitted Transferee ceases to be a Permitted Transferee, he must, not later than the date five Business Days after the date on which it so ceases, transfer all (but not some only) of its Shares in the Company back to the Original Shareholder or to a Permitted Transferee of the Original Shareholder, failing which the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such Shares

**20. PRE-EMPTION ON SHARE TRANSFERS**

- 20 1 Except where the provisions of 19 3 (Permitted Transfers) or Article 22 (Tag Along) apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 20
- 20 2 No Ordinary Shares may be transferred nor may any purported transfer be registered so long as any dividend or redemption payment is due to a preference shareholder
- 20 3 Further, a Seller shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying
- (a) the number of Sale Shares,
  - (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee,
  - (c) the price (in cash) per share at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (**Transfer Price**)), and
  - (d) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders (**Minimum Transfer Condition**)

Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn. A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

20 4 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in article 20 5 Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

20 5 The Board shall offer the Sale Shares to all shareholders other than the Seller (**Continuing Shareholders**), inviting them to apply in writing within 15 Business Days of the date of the offer (**First Offer Period**) for the maximum number of Sale Shares they wish to buy

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this article 20 5 and article 20 6 shall be conditional on the fulfilment of the Minimum Transfer Condition

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares Fractional entitlements shall be rounded to the nearest whole number No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications The balance (**Initial Surplus Shares**) shall be dealt with in accordance with article 20 6

20 6 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders, inviting them to apply in writing within 15 Business Days of the date of the offer (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of Shares (including any Sale Shares) bears to the total number of Shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period Fractional entitlements shall be rounded to the nearest whole number No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their

applications. The balance (**Second Surplus Shares**) shall be dealt with in accordance with article 20 9

- 20 7 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 20 5 and article 20 6, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

If

- (a) the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition, and
- (b) allocations under article 20 5 and, if necessary, article 20 6 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (**Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (**Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to him (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days after the date of the Allocation Notice)

- 20 8 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice

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

- (a) any Director of the Company may, 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 Consideration and give a good discharge for it, and
  - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant Shares (or an indemnity, in a form

reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

20 9 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 20 7 then, subject to article 20 10 and within 30 Business Days following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 20 9 shall continue to be subject to any Minimum Transfer Condition

20 10 The Seller's right to transfer Shares under article 20 9 does not apply if the Board reasonably considers that

- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company, or
- (b) the sale of the Sale Shares is not bona fide or arms' length or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above

## **21. VALUATION**

21 1 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 Directors, and the Seller 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

21 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert. If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit

21 3 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)

21 4 The Independent Expert shall be requested to determine the Fair Value within 15 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller

21 5 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs

## 22. TAG ALONG

22 1 No transfer (other than a Permitted Transfer) of any Shares held by a Shareholder may be made or validly registered if it is in respect of more than 10% of the Ordinary Shares (whether individually or cumulatively with other Shares being transferred), unless each relevant Shareholder (a **Tagging Shareholder**) has observed the procedures set out in this Article 22

22 2 The Tagging Shareholder shall give each holder of Shares (a **Tagged Shareholder**) at least 10 Business Days' notice in advance of the proposed sale (a **Tag Along Notice**) The Tag Along Notice shall specify

- (a) the identity of the proposed purchaser (**Buyer**),
- (b) the price per share that the Buyer proposes to pay,
- (c) the manner in which the consideration is to be paid, and
- (d) the number of Shares that the Tagging Shareholder proposes to sell

22 3 Each Tagged Shareholder shall, within five Business Days following receipt of the Tag Along Notice, notify the Tagging Shareholder that it wants to sell a certain number of Shares held by it at the proposed sale price Such notification shall be made by delivering a written counter-notice to the Tagging Shareholder which shall specify the number of Shares that the Tagged Shareholder wants to sell The maximum number of shares that a Tagged Shareholder can sell under this procedure shall be such proportion of the Shares held by the Tagged Shareholder as is equal to the proportion that the Shares proposed to be transferred by the Tagging Shareholder bears to the total number of Shares held by such Tagging Shareholder

22 4 Any Tagged Shareholder that does not send a counter-notice within that five Business Day period shall be deemed to have specified that they do not want to sell any Shares

22 5 After the expiry of 10 Business Days from the date that the Tagged Shareholder receive the Tag Along Notice, the Tagging Shareholder shall be entitled to sell to the Buyer (on the terms notified to the Tagged Shareholder) a number of Shares not exceeding the number specified in the Tag Along Notice, provided that, at the same time, the Buyer (or another person) buys from the Tagged Shareholders the number of Shares that they have respectively indicated they want to sell on terms no less favourable than those obtained by the Tagging Shareholder from the Buyer

22 6 No sale by the Tagging Shareholder shall be made pursuant to any Tag Along Notice more than 30 Business Days after service of that Tag Along Notice

22 7 Sales made in accordance with this Article shall not be subject to article 20

**23. DRAG ALONG**

- 23 1 If any shareholder or shareholders wish to sell over 50% of the Shares (the **Dragging Shares**) to a new shareholder (the **Drag Offeror**), those shareholders (the **Dragging Shareholders**) will have the right (the **Drag Along Right**) to require all of the other Shareholders (the **Called Shareholders**) to sell and transfer all their Shares (the **Called Shares**) to the Drag Offeror, or as the Drag Offeror may direct, free from all Encumbrances and together with all rights then attaching to them
- 23 2 The Drag Along Right will be exercisable by the Dragging Shareholders giving written notice of their intention to exercise the Drag Along Right to the Company prior to the transfer of the Dragging Shareholders' Shares to the Drag Offeror (the **Drag Along Notice**) The Drag Along Notice will specify
- (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this article,
  - (b) any terms of sale to which Called Shareholders are required to adhere and will enclose copies of the Drag Along Documents (if any) relating to it,
  - (c) the identity of the Drag Offeror,
  - (d) the proposed price to be paid by the Drag Offeror for each class of the Called Shares, and
  - (e) the proposed place, date and time of completion of the transfer of the Called Shares (the **Drag Completion**)
- 23 3 The Drag Along Right does not apply unless
- (a) the Dragging Shareholders have first complied with the pre-emption provisions under Article 20, or
  - (b) if the Board reasonably considers that the sale of the Dragging Shares is not bona fide or arms' length or the price is subject to a deduction, rebate or allowance to the Dragging Shareholders
- 23 4 The Company will send copies of the Drag Along Notice and Drag Along Documents (if any) to each of the Called Shareholders at their address shown on the Company's register of shareholders and require all of them to sell and transfer to the Drag Offeror, or as the Drag Offeror may direct, at Drag Completion all of their Called Shares on the terms set out in the Drag Along Notice
- 23 5 The form of consideration and value of such consideration for each class of Called Shares will be the same as that offered for each corresponding class of Dragging Shareholders' Shares being transferred by the Dragging Shareholders to the Drag Offeror



- 23 6 Drag Completion will take place on the same date as the date proposed for completion of the sale of the Dragging Shareholders' Shares unless the Dragging Shareholders elect otherwise in which case Drag Completion will take place on a date to be specified by the Dragging Shareholders that is no more than 20 Business Days later
- 23 7 On or before Drag Completion, each Called Shareholder will deliver duly executed Drag Along Documents in respect of his Called Shares to the Company
- 23 8 If any Called Shareholder does not transfer the Called Shares registered in his name and execute all of the Drag Along Documents (if any), the defaulting Called Shareholder will be deemed to have irrevocably appointed any person nominated for the purpose by the Dragging Shareholders to be his agent to execute the Drag Along Documents (if any) and to complete and deliver a transfer of those Called Shares in favour of the Drag Offeror, or as he may direct, against receipt by the Company of the consideration due for the relevant Called Shares The Company's receipt of the consideration will be a good discharge to the Drag Offeror, who will not be bound to see its application The Company will hold the consideration on trust for the relevant Called Shareholder(s) without any obligation to pay interest Subject to stamping, the directors will without delay register the transfer(s), after which the validity of such transfer(s) will not be questioned by any person Each Called Shareholder will surrender his share certificate(s) (or, where appropriate provide an indemnity in respect of it in a form satisfactory to the directors) although it will be no impediment to registration of shares under this article that no share certificate has been produced On such surrender or provision and execution of all the Drag Along Documents, the defaulting Called Shareholder(s) will be entitled to the consideration for the Called Shares transferred on his behalf

## **DECISION MAKING BY SHAREHOLDERS**

### **24. POLL VOTES**

- 24 1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 24 2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article

### **25. PROXIES**

- 25 1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

- 25 2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article

#### **ADMINISTRATIVE ARRANGEMENTS**

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

- 26 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

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

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

- 26 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

##### **27. INDEMNITY**

- 27 1 Subject to article 27 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer 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 his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs, and

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 27 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

27 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

27 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act))

## **28. INSURANCE**

28 1 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

28 2 In this article

- (a) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)),
- (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, any associated company or any pension fund or employees' share scheme of the Company or associated company, and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate