

Company number 03932263

THE COMPANIES ACT 2006

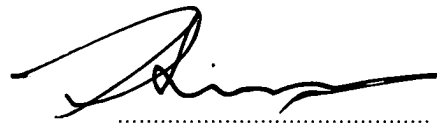
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

HICKSTEAD HOLDINGS LIMITED (Company)

(Adopted by special resolution passed on *28 April* 2020)



Director

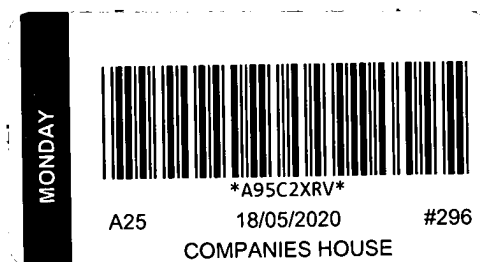


TABLE OF CONTENTS

1.	Interpretation	3
2.	Unanimous decisions	6
3.	Calling a directors' meeting	6
4.	Quorum for directors' meetings	6
5.	Casting vote	7
6.	Transactions or other arrangements with the Company	7
7.	Directors' conflicts of interest	7
8.	Records of decisions to be kept	8
9.	Number of directors	8
10.	Appointment of directors	8
11.	Alternate Directors	9
12.	Secretary	9
13.	Purchase of own shares	9
14.	Transfer of shares	9
15.	Pre-emption rights on the transfer of shares	10
16.	Permitted transfers	12
17.	Valuation	13
18.	Tag along	14
19.	Drag along	15
20.	Dividends	16
21.	Poll votes	16
22.	Proxies	16
23.	Means of communication to be used	17
24.	Indemnity	17
25.	Insurance	18

Introduction

1. Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

Act: means the Companies Act 2006.

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

Accepting Shareholder: has the meaning set out in Article 15.7(c);

Allocation Notice: has the meaning in Article 15.11

Applicant: has the meaning in Article 15.11

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 England on which banks in London are open for business.

Buyer: has the meaning set out in Article 18.1;

Called Shares: has the meaning set out in Article 19.1

Called Shareholders: has the meaning set out in Article 19.1;

Conflict: has the meaning given in Article 7.1.

Controlling Interest: means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.

Convertible Securities: has the meaning set out in Article 18.2;

Drag Along Notice: has the meaning set out in Article 19.2;

Drag Along Option: has the meaning set out in Article 19.1;

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

Fair Value: means in relation to shares, as determined in accordance with Article 17;

First Offer Period: has the meaning set out in Article 15.6;

Group means the Company and any Subsidiary Undertaking(s) (if any) from time to time and **Group Company** shall be construed accordingly;

Initial Surplus Shares: has the meaning set out in Article 15.9;

Independent Expert: means 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 14 Business Days of the expiry of the 14 Business Day period referred to in Article 17.1 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).

a Member of the Same Group: means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking;

Minimum Transfer Condition: has the meaning set out in Article 15.2;

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

New Shareholder: has the meaning set out in Article 19.10;

Offer: has the meaning set out in Article 18.2;

Offer Notice: has the meaning set out in Article 18.3;

Offer Shares: has the meaning set out in Article 18.3(d);

Original Shareholder: means a shareholder who holds shares in the Company on the date of adoption of these Articles;

Permitted Transfer: a transfer made in accordance with Article 16;

Permitted Transferee: means

- (a) in relation to a shareholder who is an individual, any of his Privileged Relations, Trustees or Qualifying Companies;
- (b) in relation to a shareholder who is an undertaking (as defined in section 1161(1) of the Act) means any Member of the same Group.

Privileged Relation: means in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

Proposed Buyer: has the meaning set out in Article 19.1

Proposed Sale Price: has the meaning set out in Article 15.2;

Proposed Transfer: has the meaning set out in Article 18.1;

Qualifying Company: means a company in which a Shareholder or Trustee(s) holds the entire issued share capital and over which that Shareholder or Trustee(s) exercises control (within the meaning of section 1124 of the CTA 2010);

Sale Date: has the meaning set out in Article 18.3;

Sale Shares: has the meaning set out in Article 15.2(a);

Second Offer Period: has the meaning set out in Article 15.8

Seller: has the meaning set out in Article 15.2;

Selling Shareholders: has the meaning set out in Article 19.1;

Sellers' Shares: has the meaning set out in Article 19.1;

Shares: means the ordinary shares of £1.00 each in the capital of the Company;

Specified Price: has the meaning set out in Article 18.2;

Trustees in relation to a Shareholder means the trustee or the trustees of a Family Trust;

Transfer Price: has the meaning set out in Article 17.1;

Valuers: means an independent firm of accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 14 Business Days of a shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator);

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" 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 or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 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.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.11 Article 7 of the Model Articles shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of Article 7(2)(a); and
 - (b) the insertion in Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "and, if applicable, the secretary" before the words properly incur.
- 1.13 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".

- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to Article 10,” after the word “But”.
- 1.15 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) of the Model Articles,” after the words “the transmittee’s name”.
- 1.16 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. Unanimous decisions

- 2.1 A decision of the directors is taken in accordance with this Article 2 when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 2.3 A decision may not be taken in accordance with this Article 2 if the eligible directors would not have formed a quorum at such a meeting.

3. Calling a directors' meeting

- 3.1 Any director may call a directors' meeting by giving not less than 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.
- 3.2 Notice of a directors' meeting shall be given to each director in writing.
- 3.3 The Company shall send to each director (in electronic form if so required):
 - (a) reasonable advance notice of each meeting of the Board in accordance with Article 3.1 and such notice shall be accompanied by a written agenda, specifying the business to be discussed at such meeting together with all relevant papers; and
 - (b) as soon as practicable after each meeting of the directors, a copy of the minutes.
- 3.4 Unless otherwise agreed by all the directors, only matters on the agenda for the meeting shall be discussed at that meeting.

4. Quorum for directors' meetings

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any four eligible directors.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there are less than four eligible directors in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be such number of eligible director(s).
- 4.3 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.

5. Casting vote

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

6. Transactions or other arrangements with the Company

6.1 Subject to sections 177(5) and 177(6) 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 existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. Directors' conflicts of interest

7.1 The directors may, in accordance with the requirements set out in this Article 7, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (**Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).

7.2 Any authorisation under this Article 7 will be effective only if:

- (a) the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors for consideration at a meeting under the provisions of these Articles;
- (b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the Interested Director; and
- (c) the matter was agreed to without his voting or would have been agreed to if the Interested Directors had not been counted.

- 7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. Records of decisions to be kept

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

9. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors shall not be less than two.

10. Appointment of directors

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

11. Alternate Directors

No director shall be entitled to appoint an alternate director.

12. 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

13. Purchase of own shares

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

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

14. Transfer of shares

14.1 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.

14.2 No shareholder shall transfer any share except:

- (a) with the prior written consent of all shareholders for the time being; or
- (b) a shareholder may transfer shares in the Company to any person for cash in accordance with the procedure set out in Article 15; or
- (c) where such transfer is in accordance with Article 16 or Article 19.

14.3 Subject to Article 14.4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.

14.4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee 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 is imposed in accordance with this Article 14.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

14.5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class 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 its name to the reasonable satisfaction of such

directors within 14 days of their request, 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 until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.

15. Pre-emption rights on the transfer of shares

15.1 Except where the provisions of Article 16 or Article 19 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 15.

15.2 A Shareholder who wishes to transfer Shares (**Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (**Transfer Notice**) to the Company specifying:

- (a) the number of Shares he wishes to transfer (**Sale Shares**);
- (b) the name of the proposed transferee, if any;
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (**the Proposed Sale Price**); and
- (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (**Minimum Transfer Condition**).

15.3 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 the Seller may, within 14 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice.

15.4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

15.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 15.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 15 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

15.6 The Company shall offer the Ordinary Shares to the Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 7 Business Days after the offer (both dates inclusive) (**First Offer Period**) for the maximum number of Sale Shares they wish to buy.

15.7 If:

- (a) 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 Directors shall allocate the Sale Shares to each 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 all such Shareholders that have applied for Sale Shares. 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 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 15.7(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 15.7(a). The procedure set out in this Article 15.7(b) 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 Shareholders in accordance with their applications (**Accepting Shareholders**). The balance (**Initial Surplus Shares**) shall be dealt with in accordance with Article 15.8.
- 15.8 At the end of the First Offer Period, the Directors shall offer the Initial Surplus Shares (if any) to the Accepting Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 14 Business Days after the offer (both dates inclusive) (**Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.
- 15.9 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 Accepting Shareholder who has applied for Initial Surplus Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by all Accepting Shareholders. 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 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 15.9(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 15.9 (a). The procedure set out in this Article 15.9(b) 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 Accepting Shareholders in accordance with their applications. The balance (**Second Surplus Shares**) shall, subject to Article 15.10, be offered to any other person in accordance with Article 15.14.
- 15.10 Where the Transfer Notice contains a Minimum Transfer Condition:
- (a) any allocation made under Article 15.7 to Article 15.9 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
 - (b) if the total number of Sale Shares applied for under Article 15.7 to Article 15.9 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 15.11 Where either:
- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
 - (b) allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under Article 15.7 to Article 15.9 (inclusive), give notice in writing of the allocations of Sale Shares (**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 7 Business Days, but not more than 21 Business Days, after the date of the Allocation Notice).

15.12 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

15.13 If the Seller fails to comply with Article 15.12:

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney 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 transfer 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 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 Shares (or an indemnity, in a form reasonably satisfactory to the Directors, 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.

15.14 Where a Transfer Notice lapses pursuant to Article 15.10(b) or an Allocation Notice does not relate to all the Sale Shares, then, subject to Article 15.15, the Seller may, at any time during the 14 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Second Surplus Shares (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 15.14 shall continue to be subject to any Minimum Transfer Condition.

15.15 The Seller's right to transfer Shares under Article 15.14 does not apply if the Directors reasonably consider that:

- (a) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (b) the Seller has failed or refused to promptly provide information available to him and reasonably requested to enable the Directors to form the opinion referred to in Article 15.15(a).

16. Permitted transfers

16.1 An Original 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 follow the steps set out in Article 15.

16.2 A shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles by an Original Shareholder under the provisions of this

Article 16 may at any time transfer all (but not some only) of its shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in Article 15.

- 16.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a Permitted Transferee transfer all of the shares in the Company held by it to:

- (a) the Original Shareholder from whom it received those shares; or
- (b) another Permitted Transferee of that Original Shareholder,

If the Permitted Transferee fails to make a transfer in accordance with this Article 16.3, 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.

17. Valuation

- 17.1 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 (any Director with whom the Seller is connected not voting), and the Seller or, in default of agreement within 14 Business Days of the date of service of the Transfer, the Fair Value of each Sale Share (**Transfer Price**).

- 17.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served;
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
- (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

- 17.3 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.

- 17.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

- 17.5 The parties are entitled to make submissions to the Independent Expert and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.

- 17.6 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).

- 17.7 The Independent Expert shall be requested to determine the Fair Value within 14 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.

- 17.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally unless the Seller withdraws the relevant Transfer Notice in accordance with Article 15.3 in which case the Seller shall bear the cost.

18. Tag along

- 18.1 After going through the pre-emption procedure set out in Article 15, the provisions of Article 18.2 to Article 18.6 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.

- 18.2 Before making a Proposed Transfer, a Seller (or each of the Sellers) shall procure that the Buyer makes an offer (**Offer**) to:

- (a) the other Shareholders to purchase all of the Shares held by them;
- (b) the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of options at any time before the Proposed Transfer;
- (c) the holders of any warrants to subscribe for Shares that are capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of the subscription rights under such warrants at any time before the Proposed Transfer; and
- (d) the holders of any securities of the Company that are convertible into Shares (**Convertible Securities**), to purchase any Shares arising from the conversion of such Convertible Securities at any time before the Proposed Transfer,

for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer (**Specified Price**).

- 18.3 The Offer shall be made by written notice (**Offer Notice**), at least 30 Business Days 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 Buyer;
- (b) the Specified Price and other terms and conditions of payment;
- (c) the Sale Date; and
- (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).

- 18.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 18.2 and Article 18.3, the Seller(s) 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.

- 18.5 If the Offer is accepted by any Shareholder (**Accepting Tag Shareholder**) in writing within 14 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Tag Shareholders.

- 18.6 The Proposed Transfer is subject to the pre-emption provisions of Article 15, but the purchase of Offer Shares from Accepting Tag Shareholders shall not be subject to those provisions.

19. Drag along

- 19.1 If the holders of two-thirds or more of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).
- 19.2 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 Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 19;
 - (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 Sellers' Shares; and
 - (d) the proposed date of the transfer.
- 19.3 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 the Sellers' Shares to the Proposed Buyer within 30 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.
- 19.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 19.
- 19.5 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 Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholder.
- 19.6 Neither the proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in Article 15, nor the Called Shares by the Called Shareholder.
- 19.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 19.2(c) 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.
- 19.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 19 in respect of their Shares.

- 19.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with Article 19.7) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 19.
- 19.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (**New Shareholder**), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 19 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a Shareholder of the Company, if later.
- 19.11 Any transfer of shares by way of a sale that is required to be made under this Article 19 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

20. Dividends

- 20.1 The Company may by ordinary resolution declare dividends and the directors may decide to pay interim dividends.
- 20.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- 20.3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.

Decision making by shareholders

21. Poll votes

- 21.1 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.
- 21.2 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.

22. Proxies

- 22.1 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".
- 22.2 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

23. Means of communication to be used

23.1 Subject to Article 23.2, any notice, document or other information shall be deemed served on, or delivered to, 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; or
- (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 a.m. on the second Business Day after posting; or
- (c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9 a.m. on the fifth Business Day after posting; or
- (d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (e) if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
- (f) 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; and
- (g) if deemed receipt under the previous paragraphs of this Article 23.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this Article, all references to time are to local time in the place of deemed receipt.

23.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by post or by airmail, 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.

24. Indemnity

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs; and

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

24.2 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.

24.3 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), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

25. Insurance

25.1 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.

25.2 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), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
- (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.