

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
PROJECT & BUILDING CONSULTANCY LIMITED
(Company number 04148914)

(Adopted by special resolution passed on 23 January 2023)

INTRODUCTION

1. INTERPRETATION

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

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

Allocation Notice: Offerees: has the meaning given in article 20.9.

Applicant: Offerees: has the meaning given in article 20.9..

appointor: has the meaning given in article 11.1.

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

Bad Leaver: an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver or a Departing Employee who breaches any non-compete restriction they are subject to.

Board: the board of directors from time to time of the Company.

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

Buy Back Notice: has the meaning given in article 23.1.

Buy Back Window: has the meaning given in article 23.1.

Buyer: has the meaning given in article 26.1.

Called Shareholders: has the meaning given in article 25.1.

Called Shares: has the meaning given in article 25.1.

Cancellation Notice: has the meaning given in article 22.1.

Civil Partner: means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder

Completion Date: has the meaning given in article 25.5.

Conflict: has the meaning given in article 7.1.

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under clause 22.1.

Departing Employee: an Employee who ceases to be a director and/or employee of or consultant (either directly or through a personal service company) to the Company for any reason (including, but not limited to, by reason of death).

Drag Along Notice: has the meaning given in article 25.1.

Drag Along Option: has the meaning given in article 25.1.

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).

Employee: a Shareholder who is, or has been, a director and/or employee of or consultant (either directly or through a personal service company) to the Company.

Encumbrance: any interest or equity of any person (including any right to acquire, option, right of pre-emption, any agreement in respect of voting rights or commitment to give or create voting rights) or any mortgage, charge, pledge, lien, assignment,

hypothecation, security interest, title retention or any other security agreement or arrangement.

Fair Value: in relation to a Share, as determined in accordance with article 24.

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

- (a) permanent disability or permanent incapacity through ill-health; or
- (b) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be unfair (save solely by reason of procedural unfairness), wrongful or constructive; or
- (c) death; or
- (d) resigns on or after the fifth anniversary of the later of (i) the date of becoming a Shareholder and (ii) the date of adoption of these Articles, provided that they do not breach any non-compete restriction they are subject to,

or an Employee who becomes a Departing Employee (for any reason) but in respect of whom the Majority Shareholders has within 15 Business Days of the Employee's Termination Date issued a written notice to the Shareholders stating that such Employee shall be a Good Leaver for the purposes of these Articles.

Majority Shareholders: means any Shareholders together holding a simple majority by nominal value of all Shares held by Shareholders.

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.

Offer: has the meaning given in article 26.2.

Offerees: has the meaning given in article 20.7.

Offer Notice: has the meaning given in article 26.3.

Offer Period: has the meaning given in article 20.7.

Offer Shares: has the meaning given in article 26.3.

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

Permitted Transfer: a transfer of shares made in accordance with article 20.

Permitted Transferee: 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) or any 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 individual and/or such persons of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons.

Proposed Buyer: has the meaning given in article 25.1.

Proposed Sale Price: has the meaning given in article 20.2.

Proposed Transfer: has the meaning given in article 26.1.

Relevant Shareholder: has the meaning given in article 22.1.

Sale Date: has the meaning given in article 26.3.

Sale Shares: has the meaning given in article 20.2.

Seller: has the meaning given in article 20.2.

Selling Shareholders: has the meaning given in article 25.1.

Sellers' Shares: has the meaning given in article 25.1.

Shareholders: the holders of Shares in the Company with each holder of Shares referred to as a **Shareholder**.

Shareholder Consent: the prior written consent of the holder(s) for the time being of a simple majority by nominal value of all Shares held by the Shareholders.

Shares: shares (of any class) in the capital of the Company from time to time.

Specified Price: has the meaning given in article 26.2.

Standard Buyback Contract: means a buyback contract in the form to be agreed between the Shareholders.

Termination Date:

- (a) where employment or consultancy ceases by virtue of notice given by the Company to the Employee or consultant, the date on which such notice expires;
- (b) where a contract of employment or consultancy agreement is terminated by the Company and a payment is made in lieu of notice, the date on which notice of termination was served;
- (c) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the Company is terminated or otherwise comes to an end; or
- (d) in any other case, the date on which the employment or consultancy or holding of office is terminated or otherwise comes to an end.

Transfer Notice: has the meaning given in article 20.2.

Transfer Price: the price per Sale Share determined in accordance with clause 20.5.

Valuers: the accountants or auditors for the time being of the Company or, if they decline the instruction, an independent firm of chartered accountants jointly appointed by the Seller and the Board (acting with Shareholder Consent) or, in the absence of agreement between the Seller and the Board on the identity of the expert within 10 Business Days of the expiry of the 10 Business Day period referred to in article 20.5, 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) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 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. 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".
- 1.13. Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.14. 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".

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

3. CALLING A DIRECTORS' MEETING

- 3.1. Any director may call a directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.
- 3.2. Notice of a directors' meeting shall be given to each director in writing.

4. QUORUM FOR DIRECTORS' MEETINGS

- 4.1. Subject to article 4.2, the quorum for the transaction of business at a meeting of directors is any two 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 is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

4.3. 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

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 (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict).

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

- (a) 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.

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 (other than alternate directors) shall not be subject to any maximum but 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. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

11.1. Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

- (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.

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

11.3. The notice must:

- (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.

12. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

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

12.2. 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.

12.3. 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 article 12.3.

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

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

13. TERMINATION OF ALTERNATE DIRECTORSHIP

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

- (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.

14. 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.

DECISION MAKING BY SHAREHOLDERS

15. POLL VOTES

- 15.1. A poll maybe 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.
- 15.2. 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.

16. PROXIES

- 16.1. 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".
- 16.2. 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

17. MEANS OF COMMUNICATION TO BE USED

17.1. Subject to article 17.2, 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 fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) 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
- (f) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
- (g) 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
- (h) if deemed receipt under the previous paragraphs of this article 17.1 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.

17.2. 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 fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

18. INDEMNITY

18.1. Subject to article 18.2, 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 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 18.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

18.2. This article 18 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.

18.3. In this article 18:

- (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).

19. INSURANCE

19.1. 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.

19.2. In this article 19:

- (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.

SHARES

20. TRANSFER OF SHARES

20.1. Except where the provisions of article 21 (Permitted Transfers) apply, no Shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as permitted or required by these Articles or with Shareholder Consent.

20.2. Except where the provisions of article 21 (Permitted Transfers) or article 22 (Compulsory Transfers) apply, a Shareholder (Seller) wishing to transfer any Shares

must give a notice in writing (Transfer Notice) to the Company giving details of the proposed transfer, including:

- (a) the number of Shares he wishes to transfer (**Sale Shares**);
- (b) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
- (c) if he wishes to sell the Sale Shares to a third party, the price per Sale Share (in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).

20.3. A Transfer Notice (or Deemed Transfer Notice) constitutes the Company as the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

20.4. Once given, a Transfer Notice may only be withdrawn by the Seller where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price. In such case, the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. A Deemed Transfer Notice may not be withdrawn.

20.5. The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Board, acting with Shareholder Consent, or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article 24.

20.6. As soon as practicable following the determination of the Transfer Price:

- (a) if the Transfer Notice is not a Deemed Transfer Notice, the Board shall offer the Sale Shares for sale to the other Shareholders in accordance with the remaining provisions of this article 20; or
- (b) if the Transfer Notice is a Deemed Transfer Notice, the Board shall first offer the Sale Shares for sale to the Company in accordance with the provisions of article 23, before then (in accordance with article 23.7) offering the Sale Shares remaining thereafter for sale to the other Shareholders in accordance with the remaining provisions of this article 20.

20.7. The Board shall (unless the Transfer Notice is withdrawn in accordance with article 20.4) offer the Sale Shares for sale to the other Shareholders (excluding any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice) (Offerees) inviting them to apply to the Company in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (Offer Period) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

20.8. If:

- (a) at the end of the Offer Period, the total 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 Offeree who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares (excluding those held either by the Seller or by any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Offerees shall be determined by the Board). 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 20.8(a), but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 20.8(a). The procedure set out in this article 20.8(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 Offer Period, the Company has not received applications in respect of all the Sale Shares, the Board shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares may, with Shareholder Consent, be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 20.16.

- 20.9. The Board shall, when no further offers or allocations are required to be made under article 20.8, give notice in writing of the allocations of Sale Shares (an Allocation Notice) to the Seller and to 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 15 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 20.10. On the date specified for completion in the Allocation Notice the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicants may reasonably require to show good title to the Sale Shares, or to enable each of them to be registered as the holder of the Sale Shares.
- 20.11. If, following a sale of Shares in accordance with these Articles, a Shareholder will hold no further Shares (excluding any Shares held by his personal representatives, successors and permitted assigns) the Shareholder shall deliver, or procure that there are delivered, to the Company his resignation as a director of the Company such resignation to take effect at completion of the sale of the Sale Shares.
- 20.12. Any transfer of Shares by way of a sale under these Articles shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee.
- 20.13. If the Seller fails to comply with article 20.10:
- (a) Paul Philips (or, failing him or if he is the Seller, any other director of the Company or some other person nominated by a resolution of the Board) may, as 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 transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.
- 20.14. If any Applicant fails to pay the Transfer Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Transfer Price shall accrue interest at a rate equal to 2% per annum above the base rate of Barclays Bank plc from time to time.
- 20.15. Each Shareholder shall use his reasonable endeavours to procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration of each transfer of Sale Shares under this article 20 (subject to due stamping of a transfer by the relevant Applicant(s)) and each of them consents to such transfers and registrations.
- 20.16. Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 10 Business Days following the date of service of the Allocation Notice, transfer the balance of the Sale Shares to the buyer identified in the Transfer Notice (if any) at a price per Share at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Sale Shares to a third party buyer if that buyer was not identified in the Transfer Notice (save with Shareholder Consent).

21. PERMITTED TRANSFERS

- 21.1. 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 20.
- 21.2. 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 21 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 20.

21.3. If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a member of the Permitted Group 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,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 21.3, 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.

21.4. Any purchase of own shares by the Company pursuant to article 23 shall be permitted free of all pre-emption rights on transfer arising under these Articles.

22. COMPULSORY TRANSFERS

22.1. Subject to article 22.2, and save in respect of a Shareholder who is a Majority Shareholder (other than in respect of Article 22.1(c) and (e)), a Shareholder is deemed to have served a Transfer Notice under article 20.2 immediately before any of the following events:

- (a) the Shareholder's death;
- (b) a bankruptcy petition being presented for the Shareholder's bankruptcy, or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
- (c) the Shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or his shareholding;
- (d) the Shareholder (being an Employee) becoming a Departing Employee, unless the Board (acting with Shareholder Consent) otherwise directs in writing within 5 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served; and

- (e) the Shareholder committing a material or persistent breach of any shareholders' agreement that may be in place between the Shareholders.
- 22.2. A Transfer Notice issued in respect of a given Shareholder (the Relevant Shareholder) pursuant to article 22.1 may be cancelled by way of the Majority Shareholders issuing a written notice (a **Cancellation Notice**) to all of the Shareholders (other than the Majority Shareholders) at any time. If a Transfer Notice is cancelled in accordance with this article 22.2, then such Transfer Notice shall cease to have effect with effect from the date that the relevant Cancellation Notice is issued and the Relevant Shareholder shall have no further obligations to transfer any shares pursuant that Transfer Notice, save in respect of any Buy Back Notice or Allocation Notice already issued prior to that date.
- 22.3. [Article not used]
- 22.4. A Deemed Transfer Notice deemed to be served under article 22.1(d) or article 22.1(e) shall immediately and automatically revoke:
- (a) a Transfer Notice served by the relevant Shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice; and
 - (b) a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 22.1(a) to article 22.1(c) (inclusive).
- 22.5. A Deemed Transfer Notice has the same effect as a Transfer Notice and the provisions of article 20 shall apply, except that: the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Deemed Transfer Notice);
- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Shares;
 - (b) subject to article 22.5(d) and article 22.5(e) and article 22.5(f), the Transfer Price shall be the Fair Value of those Shares;
 - (c) if the Seller is deemed to have given a Transfer Notice as a result of article 22.1(b), the Transfer Price shall be £1 in aggregate;

- (d) if the Seller is deemed to have given a Transfer Notice as a result of article 22.1(d), the Transfer Price shall, where the Departing Employee is:
 - (i) a Bad Leaver, shall be the lower of the purchase or subscription price paid (as the case may be) in respect of each Sale Share, including any share premium, and the Fair Value of each such Sale Share, save that such Transfer Price may be paid, in the absolute discretion of the Company, in up to five, equal, annual installments attracting interest at 2% above Bank of England base rate, from time to time, per annum; and
 - (ii) a Good Leaver, be the Fair Value of each such Sale Share, save that such Transfer Price may be paid, in the absolute discretion of the Company, in up to five, equal, annual installments attracting interest at 2% above Bank of England base rate, from time to time, per annum;
- (e) if the Seller is deemed to have given a Transfer Notice as a result of article 22.1(e), the Transfer Price shall be restricted to a maximum of the lower of the purchase or subscription price paid (as the case may be) in respect of each Sale Share, including any share premium, and the Fair Value of each such Sale Share;
- (f) the Seller does not have a right to withdraw the Deemed Transfer Notice following a valuation; and
- (g) in accordance with article 20.6 and article 23.7, the Sale Shares shall first be offered for sale to the Company in accordance with article 23 before then being offered for sale to the Shareholders in accordance with article 20.7.

22.6. If the Allocation Notice(s) in respect of the Sale Shares comprised within a Deemed Transfer Notice does not relate to all the Sale Shares, the Seller does not have the right to sell the balance of the Sale Shares to a third party without Shareholder Consent.

23. PRE-EMPTION RIGHTS ARISING ON COMPULSORY TRANSFERS

23.1. In respect of a Deemed Transfer Notice, as soon as practicable following the determination of the Transfer Price in accordance with article 20.5, the Company shall (subject to the Act) have the period of six months from the determination of the Transfer Price (the Buy Back Window) in which to purchase some or all of the Sale Shares by way of a purchase of own shares by way of issuing a notice to the Seller

(such notice, a Buy Back Notice). In order to be valid and effective each Buy Back Notice must:

- (a) be issued by the Company to the Seller within the Buy Back Window;
- (b) state the number of Sale Shares to be purchased by the Company (which may be some only or all of the Sale Shares);
- (c) state the place and time for completion of the buyback of the relevant Sale Shares (which shall be at least 15 Business Days, but not more than 20 Business Days, after the date of the Buy Back Notice); and
- (d) enclose a buyback contract in the form of the Standard Buyback Contract pursuant to which the Seller will be required to sell the relevant Sale Shares to the Company (and such buyback contract must have already been approved by the shareholders of the Company in accordance with the Act (and in particular, but not limited to, section 694 thereof) before such Buy Back Notice is issued).

The Company may serve more than one Buy Back Notice in respect of a given Deemed Transfer Notice (subject to the requirements set out above in this article).

23.2. All Shareholders shall exercise their voting rights (whether as shareholders or directors of the Company) in order to approve (for the purposes of the Act) any buyback contract proposed to be issued by the Board as part of a Buyback Notice in accordance with article 23.1.

23.3. On the date specified for completion in the Buy Back Notice the Seller shall, against payment from the Company:

- (a) enter into and deliver the Standard Buyback Contract enclosed with the Buy Back Notice; and
- (b) deliver to the Company the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Company may reasonably require to show good title to the Sale Shares, or to enable the Company to register the purchase of own shares of the Sale Shares.

23.4. If the Seller fails to comply with article 23.3:

- (a) (Paul Philips (or, failing him or if he is the Seller, any other director of the Company or some other person nominated by a resolution of the Board) may, as 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 Company;
 - (ii) receive the Transfer Price and give a good discharge for it; and
 - (iii) (subject to the transfers being duly stamped) register the purchase of the Sale Shares by the Company in the register of shareholders; and
 - (b) the Company shall pay the Transfer Price into a separate bank account in
 - (c) the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.
- 23.5. If the Company fails to pay the Transfer Price payable on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Transfer Price shall accrue interest at a rate equal to 2% per annum above the base rate of Barclays Bank plc from time to time.
- 23.6. Each Shareholder shall use his reasonable endeavours to procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration of each transfer of Sale Shares under this article 23 (subject to due stamping of a transfer by the Company) and each of them consents to such transfers and registrations.
- 23.7. Following the expiry of the Buy Back Window (or, if a Buy Back Notice has been issued prior to the expiry of the Buy Back Window but which as at the expiry of the Buy Back Window has not yet been completed, the date of completion of the buy back of Sale Shares pursuant to that Buy Back Notice), the balance of the Sale Shares shall then be offered to the Shareholders in accordance with the provisions of article 20 (and references in that article to the term "Sale Shares" shall be deemed to refer to the balance of the Sale Shares remaining after the application of this article 23).

24. VALUATION OF SHARES

- 24.1. The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 24.2. The Fair Value for any Sale Share shall be the price per Share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing all of the Shares as being worth five times the mean average earnings before interest, tax, depreciation and amortisation as shown in the three most recent annual accounts of the Company as prepared by the Company's accountants;
 - (b) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
 - (c) the Sale Shares are sold free of all Encumbrances;
 - (d) the sale is taking place on the date the Valuers were requested to determine the Fair Value.
- 24.3. The Shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 24.4. To the extent not provided for by this article 24, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation.
- 24.5. The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of manifest error or fraud).
- 24.6. The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article 20.4, in which case the Seller shall bear the cost.

25. DRAG ALONG

- 25.1. After first giving a Transfer Notice and going through the procedure set out in article 20, if the holders of a simple majority 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).
- 25.2. The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (Drag Along Notice) at any time before the transfer of the 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 25;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
 - (d) the proposed date of the transfer.
- 25.3. Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 10 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 25.4. No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 25.
- 25.5. Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

- (a) 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 Shareholders; or
 - (b) that date is less than 15 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 25th Business Day after service of the Drag Along Notice.
- 25.6. 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 20, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 25.7. 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 25.2(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.
- 25.8. To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer 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 25 in respect of their Shares.
- 25.9. If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 25.7) transfer(s) in respect of all of the Called Shares held by 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 25.

26. TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 26.1. Except in the case of transfers pursuant to article 22, and after going through the pre-emption procedure set out in article 20, the provisions of article 26.2 to article 26.6 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 60% or more of the Shares in the Company.
- 26.2. Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (Offer) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the 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).
- 26.3. The Offer shall be made by written notice (Offer Notice), at least 20 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**).
- 26.4. If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with article 26.2 and article 26.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 26.5. If the Offer is accepted by any Shareholder (Accepting Shareholder) in writing within 10 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 Shareholders.

- 26.6. The Proposed Transfer is subject to the pre-emption provisions of article 20, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

27. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

- 27.1. 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 made by the Company.

- 27.2. Subject to clause 27.3, if the Company proposes to allot any Equity Securities (other than any Equity Securities to be held under an employees' share scheme), those Equity Securities shall not be allotted to any person unless the company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those Equity Securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

- (a) shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant Equity Securities; and
- (b) may stipulate that any Shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Equity Securities ("**Excess Securities**") for which he wishes to subscribe.

- 27.3. The provisions of this article 27 may be disapplied with Shareholder Consent.

- 27.4. Any Equity Securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 27.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 27.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to Shareholders in accordance with article 27.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the Shareholders.