

Company number 4496830

**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTION OF THE SHAREHOLDERS**

of

**HILLS BALFOUR LIMITED**

(the "Company")

27 June 2012 (the "Circulation Date")

THURSDAY



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12/07/2012

#292

COMPANIES HOUSE

We, the undersigned, being members for the time being of the Company entitled to receive notice of and to attend and vote at General Meetings, pursuant to sections 282, 283 and 288 of the Companies Act 2006 (the "2006 Act"), hereby pass the resolution as a Special Resolution

**SPECIAL RESOLUTION**

"**THAT** the regulations contained in the printed document annexed hereto be adopted as the articles of association of the Company (the "**New Articles**") in substitution for the existing articles of association of the Company "

**AGREEMENT**

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

The undersigned, being the person entitled to vote on the Resolution on \_\_\_\_  
27 June 2012, hereby irrevocably agree to the Resolution

Signed by **Amanda Hills-Balfour**

Date 27 June 2012

Signed by **Julian Mills**

Date 27 June 2012

Signed by **Jonathan Sloan**

Date 27 June 2012

## NOTES

- 1 If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company -

By hand Beshoffs Solicitors, 2 Holly Court, Tring Road, Wendover, Buckinghamshire HP22 6PE

By Post Beshoffs Solicitors, 2 Holly Court, Tring Road, Wendover, Buckinghamshire HP22 6PE

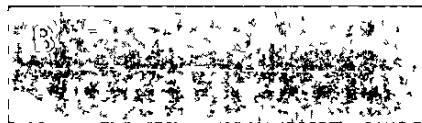
You may not return the Resolution to the Company by any other method

If you do not agree to the Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply

- 2 Once you have indicated your agreement to the Resolution, you may not revoke your agreement
- 3 Unless, by \_\_\_\_ June 2012, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

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

**ARTICLES OF ASSOCIATION**  
**OF**  
**HILLS BALFOUR LIMITED**



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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**HILLS BALFOUR LIMITED**

(Adopted by special /written resolution passed on 27 June 2012)

**1 INTERPRETATION**

- 1 1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

"**Act**" means the Companies Act 2006,

"**Adoption Date**" means the date of adoption of these articles of association, as set out above,

"**Allocation Notice**" has the meaning given to it in Article 17 10,

"**Applicant**" has the meaning given to it in Article 17 10,

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

"**Available Profits**" means profits available for distribution within the meaning of part 23 of the Act,

"**Board**" means the board of directors of the Company,

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

"**Call**" has the meaning given to it in Article 25 4,

"**Call Notice**" has the meaning given to it in Article 25 4,

"**Called Shareholders**" has the meaning given to it in Article 21 1,

"**Called Shares**" has the meaning given to it in Article 21 2 1,

"**Chairman**" has the meaning given to it in Article 6 3,

"**Companies Acts**" has the meaning given to it in the Act,

**"Company"** means Hills Balfour Limited (Company number 4496830),

**"Company's Lien"** has the meaning given to it in Article 25 1,

**"Conflict"** has the meaning given to it in Article 9 1,

**"connected"** has the meaning given to it in section 252 of the Act,

**"Controlling Interest"** means an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 840 of ICTA;

**"Co-Sale Notice"** has the meaning given to it in Article 22 1,

**"Deemed Transfer Notice"** means a Transfer Notice which is deemed to have been served pursuant to any provision of these Articles,

**"Directors"** means the directors of the Company from time to time, and

**"Director"** means any one or more of them, as the context requires,

**"Drag Along Notice"** has the meaning given to it in Article 21 2,

**"Drag Along Option"** has the meaning given to it in Article 21 1,

**"Eligible Director"** means a Director who would be entitled to vote on a matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of a particular matter),

**"Excess Securities"** has the meaning given to it in Article 14 5 3,

**"Fair Value"** has the meaning given to it in Article 19 1,

**"Family Trust"** means as regards any particular individual Shareholder (or deceased or former individual Shareholder) trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder and/or any of the Privileged Relations of that Shareholder (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 any such person or any voting or other rights attaching thereto are exercisable by or as directed by any 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),

**"Financial Year"** means an accounting reference period (as defined in section 391 of the Act) of the Company,

**"First Offer Period"** has the meaning given to it in Article 17 7,

**"Group"** means the Company and its subsidiaries (if any) from time to time and **"Group Company"** shall be construed accordingly,

**"holding company"** has the meaning given to it in section 1159 of the Act,

**"Independent Expert"** means the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Company;

**"Interested Director"** has the meaning given to it in Article 9 1,

**"Lien Enforcement Notice"** means a notice in writing which complies with the requirements of Article 25 3 2,

**"Member of the Same Group"** means, in relation to any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company,

**"Minimum Transfer Condition"** has the meaning given in Article 17 2 4,

**"Model Articles"** means the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date;

**"New Shareholder"** has the meaning given to it in Article 21 10;

**"Offeree"** has the meaning given to it in Article 14 4,

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

**"Original Shareholder"** has the meaning given to it in Article 16 1,

**"Permitted Transfer"** means a transfer of Shares made in accordance with Article 16,

**"Permitted Transferee"** means, in relation to

- (a) a Shareholder who is an individual
  - (i) any of his Privileged Relations, or
  - (ii) the trustee(s) of a Family Trust of such individual, and
- (d) a Shareholder which is a company, a Member of the Same Group as that company,

**"Privileged Relation"** means, in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder), a spouse, civil partner (as defined in the Civil

Partnerships Act 2004), parent or sibling of such Shareholder (in any case, a "Relation" of the Shareholder concerned), and all lineal descendents in direct line of such Shareholder and his or her Relations (and for the purpose of the aforesaid a step or adopted or illegitimate child of any person shall be deemed to be his or her lineal descendent),

**"Proposed Buyer"** has the meaning given to it in Article 21 1;

**"Proposed Sale Price"** has the meaning given to it in Article 17 2 3,

**"Recipient"** has the meaning given to it in Article 28 1,

**"Recipient Group Company"** has the meaning given to it in Article 28 2 1;

**"Relevant Loss"** has the meaning given to it in Article 27 4,

**"Relevant Officer"** has the meaning given to it in Article 27 4,

**"Relevant Securities"** means any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, or the grant by the Company after the Adoption Date of any right to subscribe for or acquire any such Shares or other securities,

**"Sale Shares"** has the meaning given to it in Article 17 2 1;

**"Seller"** has the meaning given to it in Article 17 2,

**"Sellers' Shares"** has the meaning given to it in Article 21 1,

**"Selling Shareholders"** has the meaning given to it in Article 21 1,

**"Shareholder"** means a holder for the time being of Shares,

**"Shareholders Agreement"** means the shareholders' agreement dated on or around the Adoption Date between Amanda Hills-Balfour (1) Julian Mills (2) Jonathan Sloan (3) and the Company (4) (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms for the time being),

**"Shares"** means shares (of any class) in the capital of the Company,

**"subsidiary"** in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,

**"Surplus Shares"** has the meaning given to it in Article 17 8 3,

**"Transfer Notice"** has the meaning given to it in Article 17 2,



**"Transfer Price"** has the meaning given to it in Article 18

1 2 A reference in these Articles to

1 2 1 an **"Article"** is a reference to the relevant numbered article of these Articles, and

1 2 2 a **"model article"** is a reference to the relevant article of the Model Articles,

unless expressly provided otherwise

1 3 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 (but excluding any statutory modification of them not in force on the Adoption Date)

1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa.

1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

1 6 1 any subordinate legislation from time to time made under it, and

1 6 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

## 2 **ADOPTION OF THE MODEL ARTICLES**

2 1 The Model Articles (together with those provisions of Schedule 3 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) referred to in Article 25) shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation. A copy is set out in the schedule to these Articles

- 2 2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 22, 26(5), 38, 39, 44(2), 49, 50 and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Model article 20 shall be amended by the insertion of the words "including the secretary" before the words "properly incur"
- 2 4 In model article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 2.5 Model article 29 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 model article 28(2)," after the words "the transmittee's name"

### **3. NUMBER OF DIRECTORS**

The number of Directors shall not be less than two but shall not be subject to a maximum

### **4 PROCEEDINGS OF DIRECTORS**

- 4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 4 2 (subject to Articles 4 3 and 4 4) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes
- 4 2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter (for example, by a show of hands)
- 4 3 A decision taken in accordance with Article 4 2 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.
- 4 4 A decision may not be taken in accordance with Article 4 2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with Articles 4 6 and 4 8
- 4 5 Meetings of the Directors shall take place at least 4 times in each year, with a period of not more than 12 weeks between any two meetings Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice At least five Business Days' advance notice in writing of each such meeting shall be given to each Director (except with the prior consent in writing of all the

- Directors, when meetings of the Directors may take place less frequently or on shorter notice)
- 4 6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors
- 4 7 If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Chairman determines being no less than 7 and no more than 14 days later. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed
- 4 8 For the purposes of any meeting (or part of a meeting) held pursuant to Article 9 to authorise a Conflict (as defined in Article 9.1), 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 9 Questions arising at any meeting of the Directors shall be decided by a majority of votes. The Chairman (or other chairman of the meeting) shall not have a second or casting vote. Accordingly, model article 13 shall not apply to the Company
- 4 10 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

## **5 APPOINTMENT AND REMOVAL OF DIRECTORS**

- 5 1 Model article 17(1) shall be modified by the inclusion, at the end of that model article, of the words "provided that the appointment does not cause the number of Directors to exceed the maximum number set out in Article 3 of these Articles"
- 5 2 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director
- 5 2 1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,
- 5 2 2 a majority of the other Directors resolve that he cease to be a Director, and
- 5 2 3 in the case of an executive Director only, he or she shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company

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## 6 DIRECTORS, CHAIRMAN AND OBSERVERS

### 6 1 Shareholder Director

- 6 1 1 For so long as a Shareholder (together with any of its Permitted Transferees to whom it has transferred Shares after the Adoption Date) continues to hold not less than 10% (TEN PER CENT ) of the issued Ordinary Shares from time to time, the Shareholder shall have the right (exercisable in accordance with Article 6 1 2 below) to appoint and maintain in office such natural person as the Shareholder may from time to time nominate as a Director of the Company (the "**Shareholder Director**") and to remove any Director so appointed and, upon his removal whether by the Shareholder or otherwise, to appoint another Director in his place
- 6 1 2 Appointment and removal of the Shareholder Director shall be by written notice to the Company signed by or on behalf of the Shareholder, which notice shall take effect on delivery at the registered office or at any meeting of the Board.
- 6.1 3 Subject to the Act, on any resolution to remove the Shareholder Director, the Shares held by the Shareholder shall (if they would otherwise carry fewer votes) together carry one vote in excess of 50% of all the other votes exercisable at the general meeting at which such resolution is to be proposed, and if any such Shareholder Director is removed under section 168 of the Act or otherwise, the Shareholder may reappoint him or any other person as the Shareholder Director
- 6 1 4 The Shareholder Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking
- 6 1 5 A person holding office as a Shareholder Director shall be deemed to have resigned immediately upon the Shareholder losing its right to appoint a Director pursuant to Article 6 1 1

### 6 2 Directors expenses

The Company will not reimburse the Shareholder Directors with their costs and out of pocket expenses incurred by them in respect of attending meetings of the Company or carrying out authorised business on behalf of the Company.

### 6 3 Chairman

- 6 3.1 A majority of the serving Directors may appoint any Director as chairman of the Board ("**Chairman**") and may remove and replace any such Chairman

6 3 2 At the Adoption Date, the Chairman is Amanda Hills Balfour.

6 3 3 If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting

## **7 NO ALTERNATE DIRECTORS**

7 1 No Director shall be entitled to appoint any person to act as an alternate Director, to

7 1 1 exercise all or any of that Director's powers,

7 1 2 carry out all or any of that Director's responsibilities, or

7 1 3 for any other purpose

## **8 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

8 1 1 may be a party to, or otherwise interested in, any existing or proposed transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,

8.1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,

8 1 3 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,

8 1 4 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,

8 1 5 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

- 8 1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) 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

## 9. DIRECTORS' CONFLICTS

- 9 1 The Directors may, in accordance with the requirements set out in this Article 9, 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"**)

- 9 2 Any authorisation under this Article 9 will be effective only if

9 2 1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,

9 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and

9 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

- 9 3 Any authorisation of a Conflict under this Article 9 may (whether at the time of giving the authorisation or subsequently)

9 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

9 3.2 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,

9.3 3 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,

- 9 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
- 9 3 5 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
- 9 3 6 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
- 9 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
- 9 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
- 9 6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under Article 9 1 shall be necessary in respect of any such interest
- 9 7 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## 10 **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

## **11 DIVIDENDS**

- 11 1 Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the Ordinary Shares pro rata to their respective holdings of Ordinary Shares
- 11 2 Subject to the Companies Acts, the Directors may pay interim dividends provided that the Available Profits of the Company justify the payment
- 11 3 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up All dividends are expressed net and shall be paid in cash

## **12 LIQUIDATION PREFERENCE**

On a return of assets on winding-up, liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in distributing the same among the holders of the Ordinary Shares pro rata to the number of such Shares held

## **13 VARIATION OF CLASS RIGHTS**

- 13 1 Subject to Article 13 2, whenever the share capital of the Company is divided into different classes of Shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding up) with the consent in writing of the holders of at least 75% in nominal value of the issued Shares of that class (excluding any holder(s) of Restricted Shares)
- 13 2 The creation of a new class of Shares which has preferential rights to one or more existing classes of Shares shall not constitute a variation of the rights of the existing classes of Shares

## **14 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES**

- 14 1 Subject to the remaining provisions of this Article 14, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to
  - 14 1 1 offer or allot,
  - 14 1 2 grant rights to subscribe for or to convert any security into, and
  - 14.1 3 otherwise deal in, or dispose of,



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

14 2 The authority referred to in Article 14 1

14 2 1 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution, and

14 2 2 may only be exercised for a period of five years from the Adoption Date save that, subject to these Articles, the Directors may make an offer or agreement which would, or might, require any Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

14 3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

14 4 If the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the Ordinary Shares (each an "Offeree") on a *pari passu* basis and in the respective proportions that the number of Ordinary Shares held or deemed to be held by each such holder bears to the total number of Ordinary Shares held or deemed to be held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are proposed to be, offered to any other person

14 5 An offer made under Article 14 4 shall

14 5 1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,

14 5 2 remain open for a period of at least 10 Business Days from the date of service of the offer, and

14 5 3 stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under Article 14 4 shall, in his acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which he wishes to subscribe

14 6 If, on the expiry of an offer made in accordance with Article 14 4, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their

applications, subject to a maximum of each Offeree's proportionate entitlement.

- 14.7 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with Article 14.4 shall be used to satisfy any requests for Excess Securities made pursuant to Article 14.5.3. If there are insufficient remaining Relevant Securities to satisfy such requests, the remaining Relevant Securities shall be allotted to the applicants in the respective proportions that the number of Ordinary Shares held by each such applicant bears to the total number of such Ordinary Shares held by all applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him)
- 14.8 If, after completion of the allotments referred to in Articles 14.6 and 14.7, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall be offered to any other person(s) as the Directors may, determine within the period of one month from the final offer made pursuant to Articles 14.4 to 14.7, at the same price and on the same terms as the offer to the Shareholders

## **15 TRANSFERS OF SHARES: GENERAL**

- 15.1 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
- 15.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to Article 15.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they have reasonable grounds to suspect that the proposed transfer may be fraudulent or to a person of bankrupt or of unsound mind
- 15.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with the consent of the Board to the contrary, if requested by the Directors in writing to remedy the position take such steps as are necessary to ensure that such transfer (or purported transfer) is in accordance with these Articles and if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 15 Business Days of receipt of such written notice, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him
- 15.4 Any transfer of a Share by way of sale which is required to be made under Articles 20 and 21 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee

- 15 5 The Directors may, as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company agreeing to be bound by the terms of the Investment Agreement, 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) If any condition is imposed in accordance with this Article 15 5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee
- 15 6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require
- 15 6 1 any holder (or the legal representatives of a deceased holder),  
or
- 15 6 2 any person named as a transferee in a transfer lodged for registration, or
- 15 6 3 such other person as the Directors may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose
- 15 7 If any such information or evidence referred to in Article 15 6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 20 Business Days of receipt of such written notice, then
- 15 7 1 the relevant Shares shall cease to confer on the holder of them any rights
- 15.7 1 1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares, or
- 15 7 1 2 to receive dividends or other distributions otherwise attaching to those Shares,
- 15 7 2 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect

from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in Article 15 7 1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to Article 15 7 2 on completion of such transfer

15 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

15 8 1 it does not contain a Minimum Transfer Condition, and

15 8 2 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 Transfer Notice)

15 9 Any Transfer Notice or a Drag Along Notice (as defined in Article 21) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice

## 16 PERMITTED TRANSFERS

16 1 Subject to Article 16 2, a Shareholder (the "**Original Shareholder**") may transfer all or any of his or its Shares to a Permitted Transferee of such Shareholder

16 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to

16 2 1 the Original Shareholder,

16 2 2 any Privileged Relation(s) of the Original Shareholder,

16 2 3 subject to Article 16 3, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or

16 2 4 subject to Article 16 3, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction.

16 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if a majority of the Directors are satisfied

16 3 1 with the terms of the trust instrument and, in particular, with the powers of the trustee(s),

16 3 2 with the identity of the proposed trustee(s),

- 16 3 3 that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
- 16 3 4 that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.
- 16 4 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 20 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to
- 16 4 1 the Original Shareholder, or
- 16 4 2 a Member of the Same Group as the 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 16 4, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 16 4
- 16 5 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either
- 16 5 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- 16 5 2 give a Transfer Notice to the Company in accordance with Article 17,
- failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this Article 16 5 This Article 16 5 shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares
- 16 6 The personal representative(s) or administrators of any deceased individual Shareholder and/or any person entitled to Shares in consequence of the death of an individual Shareholder (including any such personal representative or administrator) may transfer any Shares to any person or trustee to whom such individual Shareholder (if not dead) would have been permitted hereunder to transfer the same in

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accordance with these Articles (including any Privileged Relation or Family Trust of that individual Shareholder),

- 16 7 Notwithstanding any other provision of this Article 16, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors

## 17 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 17 1 Except where the provisions of Articles 16, 21 11 or 22 5 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this Article 17

- 17 2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, before transferring or agreeing to transfer any Shares, give notice in writing (a "**Transfer Notice**") to the Company specifying

17 2 1 subject to Article 15 8 1, the number of Shares he wishes to transfer ("**Sale Shares**"),

17 2 2 the name of the proposed transferee, if any,

17 2 3 subject to Article 20, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the "**Proposed Sale Price**"), and

17 2 4 subject to Article 15 8 2, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a "**Minimum Transfer Condition**")

- 17 3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), 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 five Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice Otherwise, a Transfer Notice may only be withdrawn with the consent of the Board

- 17 4 A Transfer Notice (including a Deemed Transfer Notice) constitutes the Company the agent and attorney of the Seller for the sale of the Sale Shares at the Transfer Price

- 17 5 As soon as practicable following the later of

17 5.1 receipt of a Transfer Notice (or, in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

17 5 2 the determination of the Transfer Price,

- the Directors shall (unless the Transfer Notice is withdrawn in accordance with Article 17 3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article 17 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered
- 17 6 The Sale Shares shall be offered to the holders of Ordinary Shares on the basis set out in Articles 17 7 to 17 13 (inclusive)
- 17 7 The Directors shall offer the Sale Shares to the holders of the Ordinary Shares ("**First Offerees**") (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy
- 17 8 If
- 17 8 1 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 First Offeree who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by the First Offerees (other than those held by the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a First Offeree of more than the maximum number of Sale Shares which he has stated he is willing to buy,
- 17 8 2 not all Sale Shares are allocated following allocations in accordance with Article 17 8 1, 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 17 8 1. The procedure set out in this Article 17.8 2 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,
- 17.8.3 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the First Offerees in accordance with their applications. The balance shall, subject to Article 17 9, be offered to the Company and the Company shall have a further 10 Business Days to apply for all or any of such Surplus Shares, and
- 17.8 4 at the end of the 10 Business Day period referred to in Article 17 8 3, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the

Sale Shares to the First Offerees and the Company in accordance with their applications. The balance (the "**Surplus Shares**") shall, subject to Article 17 9, be offered to any other person in accordance with Article 17 13

17 9 Where the Transfer Notice contains a Minimum Transfer Condition.

17 9 1 any allocation made under Articles 17 7 and 17 8 shall be conditional on the fulfilment of the Minimum Transfer Condition; and

17 9 2 if the total number of Sale Shares applied for under Articles 17 7 and 17 8 is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders and the Company 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

17 10 Where either:

17 10 1 the Transfer Notice does not contain a Minimum Transfer Condition, or

17 10 2 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 Articles 17 7 and 17 8, give notice in writing of the allocations of Sale Shares (an "**Allocation Notice**") to the Seller and each Shareholder and the Company 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 10 Business Days, but not more than 30 Business Days, after the date of the Allocation Notice)

17 11 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

17 12 If the Seller fails to comply with Articles 17 11

17 12 1 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)

17 12 1 1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants or the Company (as applicable),



17 12 1.2 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

17 12 1.3 (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

17.12 2 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

17 13 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to Article 17 9 2 then, subject to Article 17 14, the Seller may, at any time during the 90 Business Days following the date of service of the Allocation Notice, transfer the Surplus Shares to any person at a price at least equal to the Transfer Price

17 14 The Seller's right to transfer Shares under Article 17 13 does not apply if the Directors reasonably consider that

17 14 1 the transferee is a person (or a nominee for a person) who is a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,

17 14 2 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

17 14 3 the Seller has failed or refused to promptly provide information reasonably requested from him and available to him to enable the Directors to form the opinion referred to in Article 17 14.2

## 18 VALUATION

The transfer price for each Sale Share the subject of a Transfer Notice or Deemed Transfer Notice (the "**Transfer Price**") shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) set out in the Transfer Notice as being the Proposed Sale Price or if no Proposed Sale Price is stated or in the case of a Deemed Transfer Notice, as agreed between the Directors (any Director with whom the Seller is connected not voting) and the Seller or, in default of agreement within 10 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual

knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share

## **19 FAIR VALUE**

19.1 The Fair Value shall be the price per Share determined by the Independent Expert using commonly accepted and used valuation conventions and techniques applicable to the relevant industry sector and adopting the following bases and assumptions.

19 1.1 valuing the 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 (or deemed served),

19 1 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,

19 1 3 that (where relevant) the Shares are capable of being transferred without restriction,

19 1 4 valuing the Shares as a rateable proportion of the total value of all the issued Shares (treating all class of Shares as one and the same class for such purpose) without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and

19 1 5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account

19 2 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

19 3 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

19 4 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).

19 5 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company As soon as reasonably practicable upon receipt, the Company shall deliver a copy of the certificate to the Seller or Shareholder (as applicable)

19 6 Save as otherwise provided in these Articles, the cost of obtaining an Independent Expert's certificate shall be borne by the Company In relation to a determination following the service of a Transfer Notice or Deemed Transfer Notice, the cost of obtaining the Independent

Expert's certificate shall be borne by the Seller or as the Independent Expert directs if

19 6 1 the Seller withdraws the relevant Transfer Notice in accordance with Article 17 3, or

19 6 2 in respect of a Deemed Transfer Notice, the Fair Value is less than any price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert

## 20 **COMPULSORY TRANSFERS OF SHARES**

20 1 If

20 1 1 a Shareholder who is an individual becomes bankrupt, or

20 1 2 a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction)

or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it immediately prior to such bankruptcy or appointment

20 2 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death the Directors may require the legal personal representatives to such deceased Shareholder either to effect a transfer of such shares (including for such purpose an election to be registered in respect thereof) being a Permitted Transfer or to show to the satisfaction of the Directors that a Permitted Transfer will be effected up to or promptly upon the completion of the administration of the estate of the deceased member or (failing compliance with either of the foregoing within one month or such longer period as the Directors may allow for the purpose) to give a Transfer Notice in respect of such Share

20 3 Forthwith upon a Transfer Notice being deemed to be served under this Article 20, the Shares which are the subject of the Deemed Transfer Notice (the "**Restricted Shares**") shall cease to confer on the holder of them any rights

20 3 1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares, or

20 3 2 to receive dividends or other distributions otherwise attaching to those Shares

- 20 4 The Directors may reinstate the rights referred to in Article 20 3 at any time and, in any event, such rights shall be reinstated upon being transferred pursuant to a Transfer Notice which is deemed to have been served pursuant to this Article 20

## 21 **DRAG ALONG**

- 21 1 If the holders of Ordinary Shares which together carry 62 5% (SIXTY TWO AND A HALF PER CENT ) or more of the outstanding voting rights of the Company (the "**Selling Shareholders**") wish to transfer all of their interest in their Ordinary Shares ("**Sellers' Shares**") to a bona fide arm's-length purchaser ("**Proposed Buyer**"), the Selling Shareholders shall have the option ("**Drag Along Option**") to require all the other holders of Ordinary Shares on the date of the request ("**Called Shareholders**") to sell and transfer all their interest in Ordinary Shares to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 21
- 21 2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a "**Drag Along Notice**"), at any time before the completion of the transfer of the Sellers' Shares, to the Company which the Company shall forthwith copy to the Proposed Buyer and each Called Shareholder A Drag Along Notice shall specify
- 21 2 1 that the Called Shareholders are required to transfer all their Ordinary Shares ("**Called Shares**") pursuant to this Article 21,
- 21 2 2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
- 21 2 3 the consideration payable for the Called Shares calculated in accordance with Article 21.4,
- 21 2 4 the proposed date of completion of transfer of the Called Shares
- 21 3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with the consent of a Qualified Majority. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) 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.
- 21 4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 12.

- 21 5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in these Articles
- 21 6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless
- 21 6 1 all of the Called Shareholders and the Selling Shareholders otherwise agree, or
- 21 6 2 that date is less than 10 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 15 Business Days after the date of service of the Drag Along Notice
- 21 7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Ordinary Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Ordinary Shares (or a suitable indemnity in respect thereof) to the Company. On completion in accordance with Article 21 6, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to Article 21 4 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 21.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 21 4 in trust for the Called Shareholders without any obligation to pay interest
- 21 8 To the extent that the Proposed Buyer has not, on the expiration of the 10 Business Day period, put the Company in funds to pay the amounts due pursuant to Article 21 4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Ordinary Shares and the Called Shareholders shall have no further rights or obligations under this Article 21 in respect of that Drag Along Notice
- 21 9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such 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 any transfer of Shares under this Article 21

21.10 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, Ordinary Shares, whether or not pursuant to a Share Option Scheme (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, and the New Shareholder shall then be bound to sell and transfer all such Ordinary Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 21 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Ordinary Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares

21.11 A transfer of Sellers' Shares by Selling Shareholders and any transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served (or deemed served) shall not be subject to the pre-emption provisions set out in Article 17

21.12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service (or deemed service) of a Drag Along Notice shall automatically be revoked by the service (or deemed service) of a Drag Along Notice

## 22 CO-SALE RIGHTS

22.1 After a Seller has gone through the pre-emption process set out in Article 17, but prior to selling or agreeing to sell any Sale Shares pursuant to Article 17.13, the Seller shall give to each holder of Ordinary Shares ("**Equity Holder**") not less than 10 Business Days' notice in advance of any proposed sale pursuant to Article 17.13 (a "**Co-Sale Notice**") A Co-Sale Notice shall specify

- (a) the identity of the proposed purchaser (the "**Co-Sale Buyer**"),
- (b) the price per Share which the Co-Sale Buyer is proposing to pay,
- (c) the manner in which the consideration is to be paid,
- (d) the number of Ordinary Shares which the Seller proposes to sell, and
- (e) the address where the counter-notice should be sent

- 22 2 Each Equity Holder shall be entitled within five Business Days after receipt of the Co-Sale Notice, to notify the Seller that they wish to sell a certain number of Ordinary Shares held by them at the proposed sale price, by sending a counter-notice which shall specify the number of Ordinary Shares which such Equity Holder wishes to sell. The maximum number of Shares ("N") which an Equity Holder can sell under this procedure shall be

$$N = \left( \frac{X}{Y} \right) \times Z$$

where

X = the number of Ordinary Shares held by the Equity Holder,

Y = the total number of Ordinary Shares in issue,

Z = the number of Ordinary Shares the Seller proposes to sell,

and any Equity Holder who does not send a counter-notice within such five Business Day period shall be deemed to have specified that they wish to sell no Shares pursuant to this Article 22

- 22 3 Following the expiry of five Business Days from the date the Equity Holders receive the Co-Sale Notice, the Seller shall be entitled to sell to the Co-Sale Buyer on the terms notified to the Equity Holders a number of Shares not exceeding the number specified in the Co-Sale Notice less any Shares which Equity Holders have indicated they wish to sell, provided that at the same time the Co-Sale Buyer (or another person) purchases from the Equity Holders the number of Shares they have respectively indicated they wish to sell on terms no less favourable than those obtained by the Seller from the Co-Sale Buyer
- 22 4 No sale by the Seller shall be made pursuant to any Co-Sale Notice more than three months after service of that Co-Sale Notice
- 22 5 Sales made in accordance with this Article 22 shall not be subject to the pre-emption provisions set out in Article 17.

## 23 GENERAL MEETINGS

- 23 1 No business other than, subject to Article 23 2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on
- 23 2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the

appointment of the chairman of the meeting must be the first business of the meeting

- 23 3 The quorum for any meeting of shareholders shall be two. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Chairman determines being no less than 7 and no more than 14 days later. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed

## 24 VOTING

- 24 1 Subject to any other provisions in these Articles concerning voting rights, each of the Ordinary Shares shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company and on any written resolution of the Company.

- 24 2 In relation to any resolution or written resolution of the Company the Ordinary Shares each carry the right to one vote per Share

- 24.3 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

- 24 4 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article

- 24 5 Model article 45(1) shall be amended by

24.5 1 the deletion of model article 45(1)(d) and its replacement 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", and

24 5 2 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 model article.

## 25 LIEN, CALLS ON SHARES AND FORFEITURE

- 25 1 The Company has a lien (the "**Company's Lien**") over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the



Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 25 2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60 (1), (2) and (3), 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (S/ 2008/3229) shall apply to the Company, save that each reference in those articles to a "member" or "members" shall be deemed to be references to a "Shareholder" or "Shareholders" (as the case may be)

**25 3 Enforcement of the Company's Lien**

25 3 1 Subject to the provisions of this Article 25 3, if

25 3 1 1 a Lien Enforcement Notice has been given in respect of a Share, and

25 3 1 2 the person to whom the notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide

25 3 2 A Lien Enforcement Notice

25.3 2 1 may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,

25 3 2 2 must specify the Share concerned,

25 3 2 3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),

25 3 2 4 must be addressed either to the holder of the Share or to a transmittee of that holder, and

25 3.2 5 must state the Company's intention to sell the Share if the notice is not complied with

25 3 3 Where Shares are sold under this 25 3.

25 3 3 1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and

25 3 3 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not

affected by any irregularity in or invalidity of the process leading to the sale

25 3 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied.

25 3 4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and

25 3 4 2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to any other lien over the Shares

25 3 5 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date

25 3 5 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

25 3 5 2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

#### 25 4 Call notices

25.4 1 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**Call**") which is payable to the Company at the date when the Directors decide to send the Call Notice

25 4 2 A Call Notice

25 4.2 1 may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,

25 4 2 2 must state when and how any Call to which it relates is to be paid, and

25 4 2 3 may permit or require the Call to be made in instalments

25 4 3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.

25 4 4 Before the Company has received any Call due under a Call Notice the Directors may

25 4.4 1 revoke it wholly or in part, or

25 4 4.2 specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the Call is made

25 4 5 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share:

25 4 5 1 on allotment,

25 4 5 2 on the occurrence of a particular event, or

25 4 5 3 on a date fixed by or in accordance with the terms of issue

## 25 5 Forfeiture

25 5 1 If a person is liable to pay a Call and fails to do so by the call payment date

25 5 1 1 the Directors may issue a notice of intended forfeiture to that person, and

25.5 1 2 until the Call is paid, that person must pay the company interest on the Call from the call payment date at the relevant rate

25 5 2 A notice of intended forfeiture

25 5 2 1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,

25 5 2 2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,

25 5 2 3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-

payment] by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

25 5 2 4 must state how the payment is to be made, and

25 5 2 5 must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

25 5 3 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit

## **26. NOTICES**

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

26 1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

26 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

26 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

26 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this Article 26, no account shall be taken of any part of a day that is not a working day

26.2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

## 27 INDEMNITY AND INSURANCE

27 1 Subject to Article 27 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

27 1 1 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 thereto including 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 other Group Company's) affairs, and

27 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 27 1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

27 2 This Article 27 does not authorise any indemnity to the extent it would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

27 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

27 4 In this Article 27

27 4 1 **"Relevant Loss"** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company), and

27 4 2 **"Relevant Officer"** means any director or other officer or former director or other officer of any Group Company but excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

## 28 DATA PROTECTION

28 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **"Recipient"**) for the purposes of due diligence

exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually

28.2 The personal data that may be processed for such purposes under this Article 28 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to

28.2.1 a Member of the Same Group as the Recipient (each a **"Recipient Group Company"**),

28.2.2 employees, directors and professional advisers of that Recipient or any Recipient Group Company, and

28.2.3 funds managed by any of the Recipient Group Companies

28.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so