

Company number 05318005
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
YRG SOLUTIONS LIMITED (Company)

Date: *21st Dec* **2018**

WEDNESDAY



A05 *A7YPUIRF* #296
06/02/2019
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that resolutions 1 and 2 are passed as special resolutions.

1. ADOPTION OF NEW ARTICLES

THAT the Articles of Association be amended by adopting the Articles of Association produced to the meeting in substitution for the existing Articles of Association of the Company.

2. RE-DESIGNATION OF SHARES

THAT the share capital of the Company be altered such that each of:


- (a) the 12,750 Ordinary Shares of £1 each in the issued share capital of the Company held by YRG Group Limited be reclassified as 12,750 Ordinary A Shares of £1 each;
- (b) the 6,125 Ordinary Shares of £1 each in the issued share capital of the Company held by Stephen Buxton be reclassified as 6,125 Ordinary B Shares of £1 each; and
- (c) the 6,125 Ordinary Shares of £1 each in the issued share capital of the Company held by Philip Brown be reclassified as 6,125 Ordinary C Shares of £1 each.

AGREEMENT

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

The undersigned, the members entitled to vote on the above resolutions on *21st December 2018* hereby irrevocably agrees to those resolutions as indicated above:

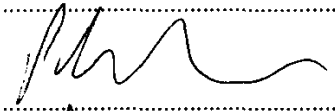
Signed by
Stephen Buxton



Date

21/12/18

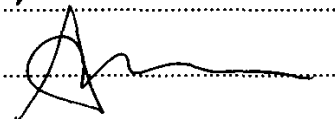
Signed by
Philip Brown



21/12/18

Date

Signed by **ANDREW WOODWARD**
(NAME OF DIRECTOR)
on behalf of **YRG Group Limited**



Date

21/12/18

NOTES

1. Once you have indicated your voting intentions please sign and date this document and return it to the Company using one of the following methods:

- **By Hand:** delivering the signed copy to 20 Trinity Lane, Micklegate, York, YO1 6EL
- **Post:** returning the signed copy by post to 20 Trinity Lane, Micklegate, York, YO1 6EL
- **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to andrew.woodward@yrggroup.co.uk

If there are no resolutions you agree with, 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 a resolution, you may not revoke your agreement.

3. If within 28 days insufficient agreement has not been received for a resolution to pass, such resolution will lapse. If you agree to all or any of the resolutions, please ensure that your agreement reaches us before or during this date.

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
YRG SOLUTIONS LIMITED
Company Number 5318005

(Adopted by special resolution passed on 21st December 2018)

AGREED TERMS

1. Interpretation

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

Act: the Companies Act 2006;

Appointer: has the meaning given in article 12.1;

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

Available Profits: profits available for distribution within the meaning of part 23 of the Act.

Business Day: 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;

Conflict: has the meaning given in article 9.1;

Continuing Shareholder: has the meaning given in article 18.5;

Controlling Interest: an interest in Shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988;

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

Employee Director: any director who is employed by the Company;

Fair Value: in relation to Shares, as determined in accordance with article 19;

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company.

Interested Director: has the meaning given in article 9.1;

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

Ordinary A Shares: the ordinary A shares of £1.00 each in the capital of the Company.

Ordinary B Shares: the ordinary B shares of £1.00 each in the capital of the Company.

Ordinary C Shares: the ordinary C shares of £1.00 each in the capital of the Company.

Original Shareholder: a shareholder who transfers its Shares to a Permitted Transferee in accordance with article 18.3;

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

Permitted Transferee: in relation to a shareholder that is a company, any member of the same Permitted Group as that company;

Price Notice: has the meaning given in article 18.6;

Serious Ill Health: means for the purpose of these articles an illness or disability certified by a *general medical practitioner (nominated or appointed by all the Shareholders)* as rendering the departing Shareholder permanently incapable of carrying out the requirements of his employment with the Company for the foreseeable future (save where such incapacity arises as a result of alcohol or substance abuse);

Shareholder: means a holder of Shares from time to time;

Shares: ordinary shares of £1 each (of any class) in the capital of the Company and **Share** shall be construed accordingly;

Subscription Price: means the amount of money that a Shareholder paid for each of his Shares;

Subsidiary: in relation to a company wherever incorporated (a holding company) means “subsidiary” as defined in section 1159 of the Act and any other company which is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

Transfer Notice: an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any Shares. Where such notice is deemed to have been served pursuant to article 20 it shall be referred to as a **Deemed Transfer Notice**;

Valuers: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Seller and by the Continuing Shareholders or, in the absence of agreement between them on the identity of the expert or its terms of appointment within 15 Business Days of the expiry of the 15 Business Day period following service of a Prior Notice, an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the British Printing Industries Federation (in each case acting as an expert and not as an arbitrator);

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purpose of article 18, article 19, article 20 and article 21, “writing” or “written” shall not include the sending or supply of notices, documents or information in electronic form (other than by fax);

YRG Director: a director appointed by YRG Group Limited.

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

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an “article” is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Any phrase introduced by the terms “including”, “include”, “in particular” or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

2 Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulation set out in any statute or in any statutory instrument or other subordinate legislation. A copy of the *Model Articles* is set out in the *Schedule to these Articles*.
- 2.2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company unless specified in these articles.
- 2.3 Article 20 of the Model Articles shall be amended by the insertion of the words “(including alternate directors and the secretary)” before the words “properly incur”.
- 2.4 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”.
- 2.5 Articles 31(a) to (d) (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”.

DIRECTORS

3 Directors’ Meetings

- 3.1 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.
- 3.2 Subject as provided in these Articles, the directors may participate in directors’ meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 Meetings of the directors shall take place at least 4 times a year, with a period of not more than 13 weeks between any two meetings.
- 3.4 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.
- 3.5 If at any time at or before any meeting of the directors or of any committee of the directors all directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting

shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

- 3.6 The provisions of article 7 shall apply equally to meetings of any committee of the directors as to meetings of the directors.

4 Unanimous Decisions of Directors

- 4.1 A decision of the directors is taken in accordance with this article when all directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each director has signed one or more copies of it, or to which each director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this article if the directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with article 7.

5 Number of Directors

The number of Directors shall not be less than 4. There shall be no maximum number of directors. No shareholding qualification for directors shall be required.

6 Calling a Director's Meeting

- 6.1 Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by at least 1 Employee Director and 1 YRG Directors) to each director or by authorising the Company secretary (if any) to give such notice.
- 6.2 Notice of any directors' meeting must be accompanied by:
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - (b) copies of any papers to be discussed at the meeting.
- 6.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

7 Quorum for Directors' Meetings

The quorum at any meeting of the directors (including adjourned meetings) shall be two Eligible Directors, of whom one at least shall be a YRG Director (or his alternate) and one at least an Employee Director (or his alternate). No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting, then the meeting shall be adjourned for 5 Business Days at the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then those directors present will constitute a quorum.

8 Chairing of Directors' Meetings

The post of chairman of the directors will be held by a YRG Director. The chairman shall have a casting vote. If the chairman for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed him shall be entitled to appoint another of its nominated directors to act as chairman at the meeting.

9 Directors' Interests

- 9.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a

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

- 9.2 Any authorisation under this article will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such a 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; and
 - (c) 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 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 will or will 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 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.
- 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 office of, employed by, or otherwise interested (including by the holding of Shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 9.1 shall be necessary in respect of any such interest.
- 9.7 Any YRG Director shall be entitled from time to time to disclose to YRG Group Limited such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 9.8 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 derived 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.

- 9.9 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 9.10 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 9.9.
- 9.11 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 9.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, 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 party to, or otherwise interested in, any such 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 purpose of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement 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 directors) or participate in any unanimous decision, in respect of such transaction or arrangement 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 office of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

10 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.

11 Appointment and Removal of Directors

- 11.1 Any Employee Director who ceases to be an employee shall be removed from office from the date his employment ceases.
- 11.2 If any YRG Director ceases to be a director of YRG Group Limited, he shall immediately resign as a director of the Company and YRG Group Limited shall be entitled to appoint in his place another person to be a YRG Director. If any YRG Director shall die or be removed from or

vacate office for any reason, YRG Group shall be entitled to appoint in his place another person to be a YRG Director.

- 11.3 Any appointment or removal of a director by YRG Group Limited pursuant to this article shall be in writing and signed by or on behalf of YRG Group Limited and served on each of the other shareholders and the Company at its registered office or delivered to a duly constituted meeting of the directors of the Company. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

12 Alternate Directors

- 12.1 Any director (other than an alternate director) (in this article, the **appointor**) may appoint any person (whether or not a director) except for an existing director representing the other class of Shares to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions of directors, in the absence of the alternate's appointor.

- 12.2 Any appointment or removal of an alternate director must be affected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

- 12.3 The notice must:

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

- 12.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor.

- 12.5 Except as the Articles specify otherwise, alternate directors:

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

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

- 12.6 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); and
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an Eligible Director in relation to that decision, and does not himself participate).

- 12.7 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).

- 12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's appointor as the appointor may by notice in writing to the Company from time to time direct.

12.9 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; or
- (c) when the alternate director's appointor ceases to be a director for whatever reason.

13 Share Rights

The Shares shall confer upon their holders the following class rights:

13.1 As to capital:

On a liquidation or other return of capital, the surplus assets available after payment of the Company's liabilities (including without limitation the repayment of any monies due under any Director's loan account) shall be distributed amongst the holders of all the Shares equally in proportion to the amounts paid up or credited as paid up thereon respectively.

13.2 As to voting:

The holders of the Shares shall be entitled to receive notice of, attend and speak and vote at any general meetings of the Company and, on a poll, a holder of Shares shall be entitled to one vote for each share registered in his name.

13.3 As to dividends:

The Ordinary A Shares, the Ordinary B Shares and the Ordinary C Shares shall constitute separate classes of shares and dividends may be paid at different rates on the different classes of shares.

14. Dividends

14.1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this Article 14.

14.2 Any Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed among the holders of the shares as the Directors direct.

14.3 Subject to the Act, the Directors may pay interim dividends provided that:

- (a) the Available Profits of the Company justify the payment; and
- (b) the Company obtains consent to any such interim dividend.

14.4 All dividends are expressed net and shall be paid in cash.

15. Variation of Class Rights

15.1 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.

15.2 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 those existing classes of Shares.

16 Unissued Shares

16.1 No Shares in the Company shall be allotted nor any right to subscribe for or to convert any security into any Shares in the Company shall be granted unless within one month before that

allotment or grant (as the case may be) every shareholder for the time being has consented in writing to that allotment or grant and its terms and to the identity of the proposed allottee or grantee.

- 16.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.
- 16.3 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) where the consent to that allotment of every shareholder has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.

17 Further Issue of Shares: Authority

- 17.1 Subject to article 16 and the remaining provisions of this article 17, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

- (a) offer to allot;
- (b) grant rights to subscribe for or convert any security into; or
- (c) otherwise deal in, or dispose of,

any Shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

- 17.2 The authority referred to in article 17.1:

- (a) shall be limited to a maximum nominal amount of £50,000 of Shares or such other amount as may from time to time be authorised by the Company by ordinary resolution;
- (b) shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- (c) may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may take an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired).

18 Share Transfers

- 18.1 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.
- 18.2 No share shall be transferred unless the transfer is made in accordance with these Articles.
- 18.3 YRG may at any time transfer all or some of its Shares in the Company to a Permitted Transferee without being required to serve a Transfer Notice or comply with the pre-emption procedure set out in this article 18. If a Permitted Transferee ceases to be a member of the Permitted Group, the Permitted Transferee must, not later than the date five Business Days after the date on which it so ceases, transfer all (but not some only) of its Shares in the Company back to the Original Shareholder or to a member of the same Permitted Group as the Original Shareholder (which in either case is not in liquidation), failing which the Company may execute a transfer of the Shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such Shares.
- 18.4 Except for transfers to which all other Shareholders give their prior written consent, no Shareholder shall transfer any Shares unless he transfers all (and not some only) of the Shares held by him.

- 18.5 A Shareholder (**Seller**) wishing to transfer Shares in the capital of the Company (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other parties excluding any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a deemed Transfer Notice under article 20 (**Continuing Shareholders**) specifying the details of the proposed transfer, including the number of Sale Shares comprised within the Transfer Notice, the identity of the proposed buyer(s), the proposed price for each Sale Share (**Proposed Sale Price**) and each Continuing Shareholder's proportionate entitlement to the Sale Shares, being the same proportion that the number of Shares held by him bears to the total number of Shares held by the Continuing Shareholders (in respect of each Continuing Shareholder, his **Entitlement**).
- 18.6 The Continuing Shareholders (or any of them) may, by giving notice in writing (**Price Notice**) to the Seller at any time within 15 Business Days of receipt of a Transfer Notice, notify the Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the Shareholders shall endeavour to agree a price for each of the Sale Shares. If the Shareholders have not agreed such a price within 15 Business Days of the Seller's receipt of a Price Notice, they (or any of them) shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with article 19.
- 18.7 If, following delivery to him of the Valuers' written notice in accordance with article 19, the Seller does not agree with Valuers' assessment of the Fair Value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders within 10 Business Days of delivery to him of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with this agreement.
- 18.8 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice, or if later, within 20 Business Days of receipt of the Valuers' determination of the Fair Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with article 18.7), a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase a specified number of Sale Shares up to a maximum of his Entitlement to the Sale Shares at the Sale Price. A Continuing Shareholder may, in his Acceptance, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**).
- 18.9 If, on the expiry of the relevant 20 Business Day period referred to in article 18.8, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Shareholder shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications of Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the Shares of the same class held by such Continuing Shareholders.
- 18.10 Completion of those Sale Shares accepted by Continuing Shareholders under article 18.8 (and, where relevant, article 18.9) shall take place in accordance with article 21.
- 18.11 In relation to any Sale Shares not accepted by Continuing Shareholders under article 18.8 (and, where relevant, article 18.9) the Seller shall be entitled to transfer those Sale Shares to the third party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price.

19 Fair Value

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

- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued Shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or their class of share;

- (b) the value of the Company shall be the value of the Company's assets as shown in the last accounts for the Company filed with the Registrar of Companies except that the goodwill of the Company shall be valued at zero;
- (c) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (d) the sale is to be on arms' length terms between a willing seller and a willing buyer;
- (e) the Shares are sold free of all restrictions, liens, charges and other encumbrances; and
- (f) the sale is taking place on the date the Valuers were requested to determine the Fair Value.

20 Compulsory Transfer of Shares

20.1 In this article 20:

- (a) **a Bad Leaver Transfer Event** means, in relation to any Shareholder:
 - (i) his being convicted of a criminal offence (excluding motoring offences) which adversely affects the Shareholder's ability to perform any function required by his employment by or office in the Company;
 - (ii) his being convicted of any criminal offence involving dishonesty on the Shareholder's part;
 - (iii) his becoming bankrupt or having an interim order made against him under the Insolvency Act 1986;
 - (iv) (if that Member is a body corporate):
 - (1) it having a receiver, manager or administration appointed over all of any parts of its assets or undertaking;
 - (2) it entering into liquidation (other than a voluntary liquidation for the purposes of a bona fide scheme of solvent amalgamation or reconstruction);
 - (v) his being in material breach of the Shareholders Agreement entered into between the Shareholders on 21st December 2009;
- (b) **a Good Leaver Transfer Event** means in relation to any Shareholder:
 - (i) the voluntary transfer or attempted transfer of his Shares; or
 - (ii) termination of his employment, engagement or office with the Company at any time where the Shareholder does not remain or thereupon immediately become a director, employee or consultant of a company which is still a member of the Company's Group for any reason other than as specified in article 18.1(a) (including for the avoidance of doubt the death or incapacity of such Shareholder as a result of which such Shareholder is unable to perform his duties to the Company under the agreement governing the terms of his employment, consultancy or office (as appropriate) for an aggregate period exceeding 26 weeks in any period of 52 weeks).

20.2 Upon the happening of a Good Leaver Transfer Event or a Bad Leaver Transfer Event, the Shareholder in question shall be deemed to have immediately given a transfer notice (**Deemed Transfer Notice**) in respect of all the Shares then held by him.

20.3 A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice.

- 20.4 The Shares which are the subject of any Deemed Transfer Notice shall be offered for sale:
- (a) in accordance with article 20 as if they were Sale Shares in respect of which a Transfer Notice had been given save that:
 - (i) a Deemed Transfer Notice shall be deemed to have been given on the date of the Good Leaver Transfer Event or the Bad Leaver Transfer Event (as the case may be) or, if later, the date of the first meeting of the Board at which details of the facts or circumstances giving rise to the Deemed Transfer Notice are tabled;
 - (ii) the price for the Sale Shares shall:
 - (1) in the case of a Bad Leaver Transfer Event, be a price per Sale Share (as the case may be) equivalent to the lower of the Fair Value and the Subscription Price of each Sale Share (as the case may be); and
 - (2) in the case of a Good Leaver Transfer Event, be a price per Sale Share (as the case may be) equivalent to the higher of the Fair Value and the Subscription Price of each Sale Share (as the case may be);
 - (b) a Deemed Transfer Notice shall be irrevocable;
 - (c) the Seller may retain any Sale Shares which Continuing Shareholders do not agree to purchase;
 - (d) the Sale Shares (as the case may be) shall be sold together with all rights, attaching thereto as at the date of the Deemed Transfer Notice, including the right to any dividend declared or payable on those Sale Shares (as the case may be) after that date.

21 Completion of Share Purchase

- 21.1 Completion of the sale and purchase of Shares under article 18 and article 20 shall take place 15 Business Days after:
- (a) the date of delivery (or deemed date of delivery) of the Transfer Notice to the Continuing Shareholders, unless the Continuing Shareholders (or any of them) have served a Price Notice under article 18.6; or
 - (b) the date of delivery of determination of the Sale Price in accordance with article 18.6.
- 21.2 At such completion:
- (a) the Seller shall deliver, or procure that there is delivered to each Continuing Shareholder who is to purchase Sale Shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Continuing Shareholders or the Company may reasonably require to show good title to the Shares, or to enable him to be registered as the holder of the Shares;
 - (b) each relevant Continuing Shareholder shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between a Continuing Shareholder and the Seller); and
 - (c) if, following a sale of Shares in accordance with this article 21, the Seller holds no further Shares in the Company the Seller shall deliver, or procure that there are delivered to the Company, his resignation as a director of the Company or resignations from any directors appointed by the Shareholder, such resignations to take effect at completion of the sale of the Sale Shares.
- 21.3 Any transfer of Shares by way of a sale under this article 21 shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee.

- 21.4 If any Continuing Shareholder fails to pay the Share Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to 4% per annum above the base rate of Barclays Bank plc from time to time.
- 21.5 Each of the Continuing Shareholders shall procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration (subject to due stamping by the Continuing Shareholders) of the transfers of the Sale Shares under this article 21 and each of them consents to such transfers and registrations.

22 Tag Along

- 21.1 After first giving a Transfer Notice to the Continuing Shareholder and going through the procedure set out in article 18, the provisions of article 22.2 to article 22.6 shall apply if the holder of 60% or more of the Shares in issue for the time being (**Seller**) proposes to transfer such Shares to a bona fide arm's length purchaser (**Proposed Transfer**) and such transfer would, if carried out, result in such person (**Buyer**) acquiring a Controlling Interest in the Company.
- 22.2 Before making a Proposed Transfer, the Seller shall procure that the Buyer makes an offer (**Offer**) to the holders of the other Shares in issue for the time being to purchase all of the Shares held by the other shareholders for a consideration in cash per Share that is at least equal to the price per Share offered by the Buyer in the Proposed Transfer (**Specified Price**).
- 22.3 The Offer shall be given by written notice (**Offer Notice**), at least 15 Business Days (**Offer Period**) before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
 - (b) the purchase price and other terms and conditions of payment;
 - (c) the transfer date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).
- 22.4 If the Buyer fails to make the Offer in accordance with article 22.2 and article 22.3, 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.
- 22.5 If the Offer is accepted by the other Shareholders in writing within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by such shareholder.
- 22.6 The Proposed Transfer is subject to the rights of pre-emption set out in article 18, but the purchase of the Offer Shares shall not be subject to those provisions.

23 Drag Along

- 23.1 After first giving a Transfer Notice to the Continuing Shareholder and going through the procedure set out in article 18, if the Seller wishes to transfer all (but not some only) of its Shares representing 60% or more of the Shares in issue for the time being to a bona fide arm's length purchaser (**Proposed Buyer**), the Seller may require the other shareholders (**Called Shareholder**) to sell and transfer all of its Shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs in accordance with the provisions of this article (**Drag Along Option**)).
- 23.2 The Seller may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholder (**Drag Along Notice**) at any time before the transfer of the Seller's Shares to the Proposed Buyer. The Drag Along Notice shall specify:

- (a) that the Called Shareholder is required to transfer all of its Called Shares pursuant to this article 23;
 - (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 Seller's Shares; and
 - (d) the proposed date of the transfer.
- 23.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Seller has not sold the Seller's Shares to the Proposed Buyer within 15 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 23.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article 21.
- 23.5 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 Seller's Shares unless:
- (a) the Seller and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or
 - (b) that date is less than 15 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 15th Business Day after service of the Drag Along Notice.
- 23.6 The proposed sale of the Called Shares by the Seller to the Proposed Buyer is subject to the rights of pre-emption set out in article 18, but the sale of those Called Shares by the Called Shareholder shall not be subject to those provisions.
- 23.7 Within 15 Business Days of the Seller serving a Drag Along Notice on the Called Shareholder, the Called Shareholder shall deliver a stock transfer form for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that 15th Business Day period, the Company shall pay the Called Shareholder, on behalf of the Proposed Buyer, the amounts due pursuant to article 23.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder in trust for the Called Shareholder without any obligation to pay interest.
- 23.8 To the extent that the Proposed Buyer has not, on the expiration of the 15 Business Days period referred to in article 23.7, put the Company in funds to pay the purchase price due in respect of the Called Share, the Called Shareholder shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the relevant Called Shares and the Called Shareholder shall have no further rights or obligations under this article 23 in respect of its Shares.
- 23.9 If the Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller 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 he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such

proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 23.9.

24 Transmission of Shares

If a member holding shares dies, then (unless the deceased shareholder was a joint holder) the death shall be a Good Leave Transfer Event pursuant to article 20.1 and the compulsory transfer provisions of article 20 shall apply to his shares; but nothing herein contained shall release the estate of the deceased member from any liability in respect of any share which had been jointly held by him.

DECISION MAKING BY SHAREHOLDERS

25 Quorum for General Meetings

- 25.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be YRG Group Limited or a duly authorised representative of YRG Group Limited.
- 25.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

26 Chairing General Meetings

The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

27 Voting

- 27.1 At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is a holder.
- 27.2 Any resolutions proposed as a written resolution shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution.

28 Poll Votes

- 28.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 28.2 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.

29 Proxies

- 29.1 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 general meeting (or adjourned meeting) to which they relate”.
- 29.2 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” as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

30 Means of Communication to be Used

30.1 Subject to Article 30.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
- (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address; and
- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied.

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

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

31 Indemnity and insurance

31.1 Subject to article 31.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 31.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

31.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

31.3 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.

31.4 In this article:

- (a) a "relevant officer" means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company.