

ARTICLES OF ASSOCIATION

of

Restons Solicitors Limited (CRN: 05584055)

adopted by special resolution passed on

16 January 2021



TUESDAY



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COMPANIES HOUSE

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

RESTONS SOLICITORS LIMITED

(Adopted by Special Resolution passed on _____ 2020)

DEFINITIONS AND MODEL ARTICLES

1. Definitions and interpretation

1.1 The definitions set out in this Article 1.1 apply in these Articles.

Additional Director	any Director appointed and holding office from time to time pursuant to Article 10.1 (<i>Appointment and removal of Directors</i>).
A Shares	the 'A' Shares (if any) of £1 each in the share capital of the Company from time to time each an A Share .
A Shareholders	the Holders of the A Shares from time to time (in respect of those A Shares only, whether or not they hold shares of any other class) each an A Shareholder .
Approved Offer	<p>a bona fide third party offer in Writing served on all Shareholders by the Buyer offering to purchase all the Shares Held by such Shareholders and which:</p> <p>(a) is stipulated to be open for acceptance for at least 15 Business Days;</p>

- (b) offers the same or equivalent consideration for each of the Equity Shares;
- (c) includes an undertaking by or on behalf of the Buyer that:
 - (i) no other consideration is to be received or receivable by any Shareholder which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by such Shareholder; and
 - (ii) neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Shareholder for the purchase of Shares;
- (d) provides for all:
 - (i) loans (if any) owed by the Company (or any other Group Company) to any of the Shareholders (together with all accrued unpaid interest if any); and
 - (ii) all preference shares (if any) in the capital of the Company (together with all accrued unpaid preferential dividend and/or interest if any);

to either be paid, repaid in full, all redeemed or purchased at par plus all accrued unpaid interest and/or dividend (as the case may be) at completion of the purchase of the Equity Shares;
- (e) is on terms that:
 - (i) the sale and purchase of the Shares in respect of which the offer is accepted will be completed at the same time and on a date no later than **60 Business Days** after service of the Approved Offer;
 - (ii) the Shareholders will all be treated in the same way as regards the timing of receipt of the consideration.

Articles

these articles of association including Schedule A.

B Shares	the 'B' Shares (if any) of £1 each in the share capital of the Company from time to time each a B Share .
B Shareholders	the Holders of the B Shares from time to time (in respect of those B Shares only, whether or not they hold shares of any other class) each a B Shareholder .
Bad Leaver	a Leaver (by reason of cessation of employment) who does not constitute a Good Leaver.
body of these Articles	these Articles excluding Schedule A.
C Shares	the 'C' Shares (if any) of £1 each in the share capital of the Company from time to time each a C Share .
C Shareholders	the Holders of the C Shares from time to time (in respect of those C Shares only, whether or not they hold shares of any other class) each a C Shareholder .
Company	Restons Solicitors Limited (company number 05584055).
Fair Value	<p>the price which is the open market value for all of the Sale Shares at the Transfer Notice Date on the following assumptions:</p> <ul style="list-style-type: none">• valuing the Sale Shares as on an arm's length sale between a willing vendor and a willing purchaser;• if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;• that the Sale Shares are capable of being transferred without restriction;• valuing the Sale Shares as a rateable proportion of the total market value of all the issued Equity Shares without any premium or discount being attributable to the class of the Sale Shares or the percentage of the issued Equity Share capital of the Company which they represent; and• taking into account as appropriate the effect of any options to subscribe for shares in the capital of the Company.

If determination of the Fair Value (or as the case may be, the **Price per Sale Share**) shall be referred to an Expert any difficulty in applying the above assumptions shall be resolved as the Expert shall in the Expert's absolute discretion think fit.

Founder Director	the meaning given to such term in the Shareholders' Agreement.
Founder Shareholder	the meaning given to such term in the Shareholders' Agreement.
Good Leaver	<p>a B Shareholder who becomes a Leaver by reason of cessation of employment and who either:</p> <p>(a) ceases to be an Employee:</p> <ul style="list-style-type: none">(i) as a result of such Shareholder's death, permanent incapacity due to ill-health (except where such ill-health arises as a result of an abuse of drink or drugs) which, in the opinion of a doctor appointed by the Directors is sufficiently serious to prevent such Shareholder from carrying out such Shareholder's normal duties; or(ii) by reason of such Shareholder's contract of engagement being terminated by any member of the Group other than by reason of a Material Engagement Breach; or(iii) by reason of such Shareholder's resignation where:<ul style="list-style-type: none">▪ such resignation occurs on a date after the end of such Shareholder's Qualifying Period;▪ such resignation is in accordance with the terms of the contract by which such Shareholder is engaged but on no more than 12 months' notice;▪ such Shareholder has not prior to such resignation committed a Material Engagement Breach which has not been waived; or(iv) by reason of redundancy;(v) by reason of becoming a Transferred Shareholder; <p>(b) is determined by the Directors (acting with an <u>Absolute Shareholders' Consent of other Shareholders</u>) in their absolute discretion to be a Good Leaver notwithstanding that such Shareholder</p>

does not fall within any of the above categories in paragraph (a) above;

Leaver

(a) any Shareholder who:

being an individual:

- (i) (other than an A Shareholder) dies (**death**);
- (ii) is subject to a bankruptcy order or who makes any voluntary arrangement or composition with creditors (**personal insolvency**); or
- (iii) (being an Employee and a B Shareholder) ceases to be an Employee (**cessation of employment**); or
- (iv) is by reason of such Shareholder's mental health, subject to a court order which wholly or partly prevents such Shareholder from personally exercising any powers or rights which he would otherwise have (**mental incapacity**);

being a body corporate:

- (v) enters into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) (**liquidation**); or
- (vi) has a receiver, manager, administrative receiver or administrator being appointed to such member or over all or any part of its undertaking or assets (**other corporate insolvency**); or
- (vii) ceases to be controlled (as defined by section 416 of the Income and Corporation Taxes Act 1988) by the person(s) who controlled such member on the date on which it became a member of the company or the Adoption Date (whichever shall be the later) (**change of control**).

Breach of transfer provisions

- (b) any Shareholder who transfers or purports to transfer any Shares other than in accordance with the provisions of these Articles (or in breach of any Relevant Agreement) and whom a **Shareholders' Majority** of **other Shareholders** resolve in Writing (within 6 months of their becoming aware of such

transfer or purported transfer) should be a Leaver (**breach of transfer restrictions**);

Shares acquired in breach

- (c) any Shareholder who acquires Shares in breach of these Articles or any Relevant Agreement and whom a Shareholders' Majority of other Shareholders resolve in Writing (within 6 months of their becoming aware of such interest being acquired) should be a Leaver (**other breach of transfer rules**);

Given by Relevant Agreement

- (d) any Shareholder who is required or deemed by a Relevant Agreement to give or have given a transfer notice (**required transfer**);

Transmittee

- (e) any person who is a Transmittee of any Shareholder other than an A Shareholder;

Failure to comply with Drag Along

- (f) any Shareholder who fails to comply with their obligations under Article 20 (*drag along*) and whom a Shareholders' Majority of other Shareholders resolve in Writing (within 6 months of the failure to comply) should be a Leaver (**breach of drag-along**);

Breach of Covenant

- (g) any Shareholder who acts in breach of any restrictive covenant (whether contained in a Relevant Agreement or an employment contract or otherwise) and whom a Shareholders' Majority of other Shareholders resolve in Writing (within 6 months of the Shareholders generally becoming aware of the breach) should be a Leaver (**breach of covenant**);

Breach of Relevant Agreement

- (h) any Shareholder who acts in material breach of any Relevant Agreement and whom a Shareholders' Majority of other Shareholders resolve in Writing (within 6 months of the Shareholders generally becoming aware of the breach) should be a Leaver (**breach of relevant agreement**);

Cease to be full time or executive

- (i) any Shareholder being an Employee ceases to work on

a Full Time basis and/or ceases to provide (in the reasonable opinion of a **Shareholders' Majority** of **other Shareholders**) Executive Services and whom a **Shareholders' Majority** of **other Shareholders** resolve in Writing (within 6 months of any such cessation) should be a Leaver (**ceasing to be full time executive**).

If a Shareholder shall become a Leaver under more than one limb of the above definition, the Shareholder shall be deemed to be a Leaver under such provision as a **Shareholders' Majority** of **other Shareholders** shall in Writing specify.

Leaver's Shares

all of the Equity Shares held by a Leaver, or to which that Leaver is entitled (whether actual or contingently) on the Leaving Date and any Equity Shares acquired by that Leaver pursuant to such entitlement after the Leaving Date but prior to the agreement of, or referral to an Expert for determination of, the Sale Price of the Leaver's Shares (collectively **all such Shareholder's shares**) save in the case of a Leaver falling within:

- paragraph (c) (*Shares acquired in breach*) of the definition of Leaver when the Leaver's Shares shall only be the Equity Shares acquired in breach;
- paragraph (d) (*Given by Relevant Agreement*) of the definition of Leaver when the Leaver's Shares shall be such quantum of shares as are specified in the Relevant Agreement, or if no quantum is specified all such Shareholder's shares.

Price per Sale Share

the price per Sale Share at which each Sale Share is to be offered pursuant to Article 18 (*voluntary transfers*) which shall:

- subject always to Article 19.2(e) (*Mandatory Transfers in respect of Leavers*);
- save where the Transfer Notice is a voluntary Transfer Notice given other than by a Founder Shareholder without any consent required under the Shareholders' Agreement when it shall be the **nominal value** of the Share in question; and
- save as otherwise provided in any Relevant Agreement, these Articles or any agreement under which the Seller acquired the Sale Shares (or any of them))

the Fair Value divided by the number of Sale Shares (rounded down to the nearest penny).

Purchase Price the aggregate price payable by any purchaser of the relevant Sale Shares being the Price per Sale Share multiplied by the number of Sale Shares being acquired by that purchaser.

Regulations means all the regulations and rules from time to time made or amended by the Regulators.

Regulator has the meaning given in the Shareholders' Agreement.

Schedule A the schedule so titled at the rear of the body of these Articles.

Shareholder a person who is the Holder of a Share.

Shareholders' Agreement the Shareholders' Agreement dated on or about the Adoption Date and made between (1) Christopher John Reston, (2) Sara Caroline Reston, (3) Peter John Ronald Stewart, (3) Oliver Sebastian Reston, (4) Viveca Maya Reston, (5) Charles Edward Maxim Reston and (6) the Company as amended from time to time.

Shareholders' Consent the prior consent in Writing of a person or persons constituting at the time the consent is given the relevant **Shareholders' Majority** and:

- an **Absolute Shareholders' Consent**: is the consent of such a majority save each of the persons from whom consent may be sought may withhold such consent on such terms and on such basis as each of such persons may in their absolute discretion determine; and
- **Qualified Shareholders' Consent** is the consent of such a majority save each of the persons from whom consent may be sought may not unreasonably withhold or delay their consent.

Any matter requiring consent of any form of Shareholders' Majority under these Articles which requires any higher level of consent under any Relevant Agreement shall notwithstanding the provisions of these Articles still require such consent under such Relevant Agreement. Unless otherwise stated a Shareholders' Consent shall be deemed to be an Absolute Shareholders' Consent.

Shareholders' Majority unless otherwise stated means **two or more Shareholders**:

- including all the Founder Shareholders (if any); and
- who collectively Hold **in excess of 50% of the Equity Shares** (or such other amount as may be stated in the relevant provision)

save that where referred to as majority of **other Shareholders** (or like words) means that whether or not such a Shareholders' Majority exists shall be determined as if the shares of the Shareholder in respect of whom such Shareholders' Majority are acting were not in issue.

Transferred Shareholder

a B Shareholder who ceases to be an Employee as a result of:

- a Group Company ceasing to be a Group Company; or
- by reason of the automatic transfer principles applying to the Employee Shareholder as a result of a relevant transfer by a Group Company to which the provisions of the Transfer of Undertakings (Protection of Employment) Regulations 2006 apply.

- 1.2 Unless the context otherwise requires, **references to Articles** are to references to Articles in the body of these Articles so numbered and **references to Paragraphs** are references to paragraphs so numbered in Schedule A.
- 1.3 The additional definitions set out in, and the rules of interpretation set out in, Paragraph 1 of Schedule A apply in these Articles.
- 1.4 If there is any conflict between the body of these Articles and Schedule A then the body of these Articles shall prevail.
- 1.5 Statements to the effect that particular articles are **subject to the provisions of a Relevant Agreement** (or similar expression) are not intended to be exhaustive and appear by way of reminder and other provisions of these Articles may (without the appearance of any such expression) be so subject.
- 1.6 References to the **Directors** and the **Company** in these Articles in relation to matters concerning the transfer of any Shares shall (unless stated to the contrary):
 - (a) in relation to references to the Company: be deemed to be the Company acting by the Directors but excluding;
 - (b) in relation to references to the Directors: be deemed to exclude:

any Additional Director who as the case may be is:

- (c) the Seller;

(d) the Leaver; or

(e) the transferor

and the provisions of Article 4 (*Calling a Directors' meeting*) and Article 5 (*Quorum for Directors' Meetings*) shall apply in respect of such matters as if the excluded director were not in office.

- 1.7 References to **interest free instalments** or like expressions shall mean that the principal amount the subject of such instalments outstanding from time to time shall not carry interest but that if any instalment is not paid in full on its due date, the person who fails to make such payment by the due date for payment shall (both before and after any judgment) pay interest on the overdue amount at the rate of 4% above base of the principal bankers to the Company. Such interest shall accrue on a daily basis from the due date until actual payment of the overdue amount and if not paid prior thereto shall compound every 3 calendar months. The defaulting person shall pay the interest together with the overdue amount. Any monies paid by the defaulting person shall be applied first against any interest before reducing and/or satisfying as the case may be the principal amount in respect of which default was made.

2. Model Articles shall not apply

- 2.1 Neither the model articles for private companies limited by shares prescribed pursuant to the Companies Act, nor any other articles of association (whether prescribed pursuant to the Companies Act or set out in any other statute, statutory instrument or other subordinate legislation concerning companies) shall apply to the Company.

3. Limited Liability

- 3.1 The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares Held by them from time to time.

DIRECTORS

4. Calling a Directors' meeting

Who may give notice

- 4.1 Any Director may call a Directors' meeting by giving notice of that meeting to the Directors or by authorising the company secretary (if any) to give such notice.

Information to be given with notice

- 4.2 Notice of any Directors' meeting must indicate:
- (a) its proposed date and time;
 - (b) where it is to take place; and

- (c) if it is anticipated that the Directors Participating in that meeting will not be in the same place, how it is proposed that they should communicate with each other during that meeting.

Notice need not be in Writing

- 4.3 Subject to Articles 1.6 (*Definitions and interpretation*) and 4.4, notice of a Directors' meeting must be given to each Director but need not be in Writing.

Waiver of notice of meeting

- 4.4 Notice of a Directors' meeting need not be given to any Director who waives such Director's entitlement to notice of that meeting by giving notice to that effect to the Company either before or not more than 5 Business Days after the date on which that meeting is held. Where such notice is given after the relevant meeting has been held, that does not affect the validity of that meeting or of any business conducted at it.

5. Quorum for Directors' meetings

- 5.1 Subject to Article 1.6:

- (a) the quorum for Directors' meetings is **two Directors** Participating;
- (b) at a Directors' meeting, unless such a quorum is Participating, no proposal is to be voted on, except a proposal to reconvene the meeting,

provided always that if there is only one director in office, such director shall be entitled (subject to the terms of the Shareholders' Agreement) to exercise all the powers, duties and discretions conferred on or vested in the directors by these Articles.

6. Voting at Directors' Meetings

- 6.1 Subject to the other provisions of these Articles, each Director Participating in a Directors' meeting shall have the following number of votes on each proposed resolution:

- (a) if a **Founding Director**: such number of votes provided for in Article 6.2; and
- (b) if an **Additional Director**: one vote.

- 6.2 The Founding Directors as a class shall be entitled to exercise such number of votes as are equal to the lowest even number which is greater than the number of Additional Directors then in office. Such votes shall:

- (a) if both Founding Directors Participate in the Directors' meeting in question: be divided equally between them; and
- (b) if only one Founding Director Participates in the Directors' meeting in question: be exercisable by the Founding Director who so Participates.

7. Chairman of Directors' meetings

- 7.1 If at any Directors' meeting the numbers of votes for and against a proposal are equal, the Chairman (or other Director chairing the meeting) **shall not** have a casting vote.

8. Situational Conflicts of Interest

Directors may authorise situational conflict with consent

- 8.1 Subject to the other provisions of these Articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Companies Act and this Article 8, authorise any matter which would, if not authorised, result in a Director (the **Conflicted Director**) being in breach of such Director's duty under section 175 of the Companies Act to avoid a situation in which the such Director has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a **Conflict**).

Directors' meeting requirements for Authorisation

- 8.2 Any authorisation given under Article 8.1 (an **Authorisation**) (and any subsequent variation or termination of an Authorisation) will only be effective if:
- (a) any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested Director); and
 - (b) the matter was agreed to without the Conflicted Director (or any other interested Director) voting or would have been agreed to if such Conflicted Director's (or any other interested Director's) vote had not been counted.

Terms, conditions and variation of Authorisation

- 8.3 The Directors may at any time:
- (a) make any Authorisation subject to such terms and conditions as they think fit; and
 - (b) vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination).

Default Rights of Conflicted Director

- 8.4 Unless as a condition of the relevant Authorisation the Directors provide otherwise, a Conflicted Director who has received an Authorisation in relation to a Conflict:
- (a) may vote at any future Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if such Conflicted Director does vote such Conflicted Director's vote shall be counted) and such Conflicted Director shall be taken into account in determining whether a quorum is Participating at that meeting;

- (b) may abstain from the whole or any part of any Directors' meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed;
- (c) shall not be required to disclose to the Company (or use for its benefit) any confidential information such Conflicted Director obtains otherwise than in Conflicted Director's capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by such Conflicted Director to a third party; and
- (d) shall not be liable to account to the Company for any benefit such Conflicted Director or any of such Conflicted Director's Connected Persons derive as a result of that Conflict.

9. Transactional Conflicts of Interest

Obligation to declare interest

- 9.1 If a Director (the **Interested Director**) is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the **Transaction**) such Director must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Companies Act.

Right to participate

- 9.2 Subject to the provisions of:

- (a) the Companies Act,
- (b) Article 9.1,
- (c) the terms of any relevant Authorisation,

an Interested Director:

- (d) may be a party to, or otherwise be interested in, the relevant Transaction;
- (e) may vote at any Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Transaction (and if such Interested Director does vote such Interested Director's vote shall be counted) and such Interested Director shall be taken into account in determining whether a quorum is Participating in that meeting; and
- (f) shall not be liable to account to the Company for any benefit such Interested Director or any of such Interested Director's Connected Persons derive as a result of that Transaction and that Transaction shall not be liable to be avoided on the ground of such Interested Director's interest.

10. Appointment and removal of Directors

Additional Directors

- 10.1 A **Shareholders' Majority** shall also be entitled to appoint and remove natural persons to be Directors (not being a Founding Director) in accordance with this Article 10.1. Any Director so appointed pursuant to this Article 10.1 shall be an **Additional Director**. Such rights of appointment and removal shall be exercised by notice in Writing to the Company. There shall be no fetter on the number of appointments or removals that may occur pursuant to this article 10.1 or the identity of any Additional Director. **Neil Kelly, Peter Stewart and Lee Warburton** shall be deemed to have been appointed as **Additional Directors** pursuant to this Article 10.1.

Means of Appointment and Removal

- 10.2 The appointment or removal of a Director pursuant to this Article 10 shall take effect upon the resolution of the Shareholders' Majority being made (or as otherwise specified in such resolution).

No Directors or Shareholders

- 10.3 In any case where, as a result of death and/or bankruptcy, the Company has no Shareholders entitled to appoint Directors under the foregoing provisions of this Article 10 and no Directors, the Transmitttee(s) of the last Shareholder to have died or be subject to a bankruptcy order (as the case may be) have the right, by notice in Writing to the Company, to appoint a natural person to be a Director.
- 10.4 For the purposes of Article 10.3, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

Other means of appointment and removal excluded

- 10.5 Subject to the Companies Act, every Director appointed pursuant to this Article shall hold office until such Director is either removed in the manner provided by this Article or dies or vacates office pursuant to Article 11 (*Termination of Director's appointment*) and neither the Company in general meeting nor the Directors shall have power to fill any such vacancy or appoint any Directors other than as provided in this Article 10.

No retirement by rotation

- 10.6 The Directors shall not be subject to retirement by rotation.

11. Termination of Director's appointment

- 11.1 A person ceases to be a Director as soon as:
- (a) such person is removed from office or such person loses office in accordance with the provisions of Article 10 (*Appointment and removal of directors*);

- (b) such person ceases to be a Director by virtue of any provision of the Companies Act or is prohibited from being a Director by law;
- (c) a bankruptcy order is made against such Director;
- (d) a composition is made with such Director's creditors generally in satisfaction of such Director's debts;
- (e) a registered medical practitioner who is treating such Director gives an opinion in Writing to the Company stating that such Director has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
- (f) by reason of such Director's mental health, a court makes an order which wholly or partly prevents such Director from personally exercising any powers or rights which such Director would otherwise have; or
- (g) notification is received by the Company from such Director that such Director is resigning from office and that resignation has taken effect in accordance with its terms; or
- (h) it would be a breach of the Regulations for such person to continue to be a director of the Company.

SHARE CAPITAL

12. Share Capital

Classes

- 12.1 At the Adoption Date the share capital of the Company is divided into A Shares, B Shares and C Shares. Each such division shall (save as otherwise provided) be a separate class of shares but shall (save as expressly stated to the contrary in these Articles or any Relevant Agreement) rank equally. Accordingly, any alteration of this Article and any variation or abrogation of the rights attaching specifically to any class shall be subject to the provisions of Article 13 (*Class Rights*).

As regards income

- 12.2 No dividend or interim dividend shall be paid or declared or satisfied in contravention of the Companies Act 2006 or any contractual restriction upon the Company relating to distributions.
- 12.3 The profits which the Company may determine to distribute in respect of any financial period shall be distributed amongst the holders of the A Shares, B Shares and the C Shares in proportion to the amounts paid up on the shares (excluding any premium) held by them respectively *pari passu* as if the A Shares, B Shares and the C Shares constituted one class of share.

As regards capital

- 12.4 On a return of assets (whether on liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Holders of the A Shares and the B Shares in proportion to the amounts paid up on such shares (excluding any premium) held by them respectively *pari passu* as if such shares (and the sub-classes within them) constituted the same class of share.

As regards voting

- 12.5 Subject as provided below in this Article and to any other special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles on a vote on a resolution at a general meeting (whether on a show of hands or on a poll and whether present in person or by one or more proxies) and on a written resolution each Shareholder shall have one vote per share provided that no class of shares shall confer any right to vote upon a resolution for the removal from office of a Founder Director.

As to redemption

- 12.6 No Shares in the capital of the Company are redeemable.

13. Class Rights

Variation

- 13.1 Whenever there is more than one class of Shares, the special rights attached to any class may only be varied or revoked with the consent in Writing of Shareholders Holding at least 75% in nominal value of the issued Shares of the class.

Re-designation on transfer

- 13.2 Whenever an Equity Share is transferred to:
- (a) a member Holding Equity Shares only of another class such first mentioned Equity Share shall *ipso facto* and forthwith be converted into and redesignated as an Equity Share of such other class; and
 - (b) a person who does not hold any Equity Shares such Share if an A Share or a C Share shall automatically be redesignated as a B Shares unless a **Shareholders Majority** shall otherwise direct in Writing.

Re-designation on issue

- 13.3 Whenever an Equity Share is issued to:
- (a) a member holding Equity Shares only of one class, such Equity Share shall automatically upon issue become an Equity Share of the same class as those already held by such member; and
 - (b) a person who does not hold any Equity Shares such Share if shall be designated as a B Shares unless a **Shareholders Majority** shall otherwise direct in Writing.

ISSUE OF SHARES

14. Pre-Emption Rights on Allotment

Pre-emption rights unless Shareholders' Consent

- 14.1 Except with a prior **Shareholders' Consent**, all Equity Securities which the Directors propose to allot after the Adoption Date shall first be offered to the Shareholders in accordance with the provisions of this Article 14.

Contents of Offer Notice

- 14.2 Any offer of Equity Securities pursuant to Article 14.1 (an **Offer**) shall be made by notice in Writing (an **Offer Notice**) to the Eligible Shareholders at that time. The Offer Notice shall specify:
- (a) the aggregate number of Equity Securities offered (the **Offered Securities**);
 - (b) the price per Offered Security;
 - (c) that each Shareholder is entitled to apply for all or any of the Offered Securities; and
 - (d) the period (the **Offer Period**) (which shall be at least 10 Business Days from the Offer Notice Date) within which Shareholders must deliver their respective applications for Offered Securities to the Company.

Allocation of Shares

- 14.3 After the expiration of the Offer Period:
- (a) if the total number of Offered Securities applied for is equal to or less than the total number of Offered Securities, each Shareholder shall be allotted the number of Offered Securities he applied for; or
 - (b) if the total number of Offered Securities applied for exceeds the total number of Offered Securities:
 - (i) the Company shall allot the Offered Securities, in the Offer Proportions, to the Shareholders who have applied for them (but without allotting to any Shareholder more Offered Securities than he applied for); and
 - (ii) any remaining Offered Securities shall be allotted, in the Offer Proportions, to those Shareholders whose applications for Offered Securities have not yet been satisfied in full (but without allotting to any Shareholder more Offered Securities than he applied for) and any remaining Offered Securities shall be apportioned by re-applying the provisions of this Article 14.3(b)(ii); and

any Offered Securities not allotted or not capable of being allotted as specified above except by way of fractions, shall be under the control of the Directors, who may allot, grant options

over or otherwise dispose of them to such person(s), on such terms, and in such manner as they think fit, provided that those Offered Securities shall not be disposed of on terms which are more favourable than the terms on which they were first offered to the Shareholders.

Statutory pre-emption rights do not apply

- 14.4 The requirements of sections 561 and 562 of the Companies Act shall not apply to any allotment of Equity Securities by the Company.

Deed of Adherence

- 14.5 Before any Shares are allotted to a person who is not already a shareholder in the Company, the Directors may (and must if any Relevant Agreement requires it) require that the allottee execute and deliver to the Company a Deed of Adherence.

Prohibitions on issue

- 14.6 No Share shall be issued to any person:
- (a) any infant, bankrupt or person of unsound mind; or
 - (b) where such issue is prohibited by the Regulations or where such issue would place the Company in breach of any of the Regulations.

15. All Shares to be Fully Paid up

- 15.1 No Share is to be issued for less than the aggregate of its nominal value and any premium to be Paid to the Company in consideration for its issue.

TRANSFER OF SHARES

16. Share transfers: General

Refusal of transfers - general

- 16.1 The Directors **may only refuse** to register a transfer of Shares if they are specifically required or authorised to do so by these Articles or any Relevant Agreement. If the Directors do refuse to register a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant Transfer Form was lodged with the Company, return that Transfer Form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 16.2 The Directors **shall refuse** to register any transfer of Shares made in contravention of the provisions of these Articles or any Relevant Agreement.

Refusal of transfers - Deed of Adherence

- 16.3 Without prejudice to the generality of the foregoing the Directors may (and must if any Relevant Agreement requires it) as a condition for the registration of any transfer of Shares require the transferee to execute and deliver to the Company a Deed of Adherence. If any such condition is imposed in accordance with this Article 16.3, the transfer may not be registered until that deed has been executed and delivered by the transferee to the Company's registered office address or to such other address as the Company may notify.

Transfers in breach to be void

- 16.4 Without prejudice to the provisions of Article 23 (*Disenfranchisement*) any transfer of Shares made or purported to be made in contravention of the provisions of these Articles or any Relevant Agreement shall be of no effect.

Transfers must be in accordance with Transfer Provisions

- 16.5 Except for a transfer pursuant to Articles 17 (*Permitted Transfers*) to 21 (*Tag Along*) (inclusive), no Shares may be transferred.

Form of transfer and registration

- 16.6 Shares shall be transferred by means of a Transfer Form.
- 16.7 No fee may be charged for registering any Transfer Form or other document relating to or affecting the title to any Shares.
- 16.8 The Company may retain any Transfer Form which is registered.
- 16.9 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

Implied Covenants and terms

- 16.10 Any transfer of Shares by way of a sale that is made under Article 18 (*Voluntary Transfers*) or is required to be made pursuant to Articles 19 (*Mandatory transfers in respect of Leavers*) shall (subject to any contrary provisions in these Articles or any Relevant Agreement) be deemed to include a:
- (a) warranty that the Shareholder transferring the Shares in question does so with full title guarantee and free from all encumbrances;
 - (b) term that they are sold and bought with all rights attaching to them as at the Transfer Notice Date.

Prohibited Transfers

- 16.11 Subject to Article 20 (*Drag Along*) and Article 21 (*Tag Along*) but notwithstanding anything else contained in these Articles no Share shall be transferred to:
- (a) any infant, bankrupt or person of unsound mind; or

- (b) any person where such transfer is prohibited by the Regulations or where such transfer would place the Company in breach of any of the Regulations;
- (c) (save with an Absolute Shareholders' Consent) any person whom the Directors may reasonably disapprove of on the grounds that they are a competitor to (or interested in a competitor to) the Company.

17. Permitted transfers

Transfers to the Company

- 17.1 Any Shareholder may at any time transfer any Shares to the Company in accordance with the Companies Act and these Articles.

Drag Along

- 17.2 Notwithstanding any other provision of these Articles, any transfer of Shares made in accordance with Article 20 (*Drag Along*) in acceptance of an Approved Offer shall be registered by the Directors (subject only to stamping as required).

Tag Along

- 17.3 Notwithstanding any other provision of these Articles, any transfer of Shares made in pursuance of the acceptance of an Approved Offer made pursuant to Article 21 (*Tag Along*) shall be registered by the Directors (subject only to stamping as required).

Relevant Agreement

- 17.4 Any transfer of Shares permitted or required by any Relevant Agreement (other than where the requirement is to serve or involves the deemed giving of a transfer notice) may be made without the Shareholder following the procedure in Article 18 (*Voluntary Transfers*).

Transfers by and among A Class

- 17.5 Shares shall be freely transferable between A Shareholders and any A Shareholder (and any Transmitttee of any A Shareholder) may transfer their Shares as they see fit.

Permitted Transfer must be of the legal and beneficial interest

- 17.6 Save as expressly provided or permitted in any Relevant Agreement or in these Articles, any transfer of any Share to fall within the foregoing provisions of this Article 17 (*Permitted Transfers*) must be the simultaneous transfer of the legal and beneficial interest in such Share to the same transferee provided always for the avoidance of doubt that this shall not operate to restrict any transfer by a personal representative of an A Shareholder to the person(s) beneficiary entitled to such shares pursuant to the Will (including any addendum, codicil thereto, trusts and/or letter of wishes created under or relating thereto) of any such A Shareholder.

Transfers with consent

- 17.7 Any Shareholder may transfer all or any of their Shares to any person with the **Absolute Consent of the A Shareholders**.

Restrictions after Drag

- 17.8 No transfer of Shares (other than in pursuance of the Drag Notice) may be made pursuant to this Article 17 (Permitted Transfers) after service of a Drag Notice until that notice has expired.

18. Voluntary Transfers

Requirement to give Transfer Notice unless a Permitted Transfer

- 18.1 Any Shareholder (**Seller**) who wishes to transfer any Shares other than pursuant to a transfer permitted by Article 17 (*Permitted Transfers*) shall give the Company notice in Writing (the **Transfer Notice**). Once given the Transfer Notice shall (save as noted below) be **irrevocable**.

Contents of Transfer Notice

- 18.2 The Transfer Notice shall specify:
- (a) the number of Shares the Seller wishes to transfer (the **Sale Shares**);
 - (b) whether the Seller has received an offer from a third party for the Sale Shares and if so the identity of that third party and the price offered by that third party for the Sale Shares;
 - (c) the cash price per share at which the Seller wishes to sell the Sale Shares; and
 - (d) whether the Seller wishes to impose a condition that unless all the Sale Shares are sold none shall be sold (a **Total Sale Condition**).

Transfer Notice appoints Company as agent

- 18.3 By giving the Transfer Notice, the Seller appoints the Company (acting by the Directors) as the Seller's agent with the power to sell the Sale Shares (with (subject to any contrary provisions in these Articles or any Relevant Agreement) all rights attaching to them at the Transfer Notice Date) in accordance with the provisions of these Articles.

Price per Sale Share

- 18.4 The Price per Sale Share shall be that agreed in Writing between the relevant Seller and the Company within 10 Business Days (or such longer period as they shall in Writing agree) of the Transfer Notice Date or, failing such agreement, shall if required either by the Company or the relevant Seller be that determined by the Expert pursuant to Article 18.5 (Voluntary Transfers – Expert).

Expert

18.5 If the Price per Sale Share is to be determined by an Expert then (subject to the terms of any Relevant Agreement and as provided below):

- (a) the Company shall immediately instruct the Expert to determine the Price per Sale Share;
- (b) the Company and the Seller shall each be entitled to make submissions in Writing to the Expert (which shall be copied to the other) and each shall provide (or procure, so far as they are reasonably able, that others provide) the Expert with such assistance and documents as the Expert reasonably requires for the purpose of reaching a decision;
- (c) the Expert may, in the Expert's reasonable discretion, determine such other procedures to assist with the conduct of the determination as he considers just or appropriate, including (to the extent the Expert considers necessary) instructing professional advisers to assist the Expert in reaching the Expert's determination;
- (d) the Company and the Seller shall each, with reasonable promptness, supply (or procure, so far as they are reasonably able, the supply of) to the other all information and give (or procuring, so far as they are reasonably able, the giving of) to the other access to all documentation as the other may reasonably require to make a submission;
- (e) the Expert shall certify the Price per Sale Share as soon as possible after being instructed by the Company and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;
- (f) the certificate of the Expert shall, in the absence of manifest error, be final and binding; and

the Company shall procure that any certificate required pursuant to this Article 18.5 (*Voluntary Transfers – Expert*) is obtained as soon as possible and the cost of obtaining that certificate shall be borne equally by the Company and the Seller unless the Expert directs otherwise.

Provided always that if always if the Transfer Notice is a voluntary Transfer Notice given prior to the expiry of the Seller's Qualifying Period the Expert must determine the Price per Sale Share as if the Seller were a Bad Leaver and the purchasers of such shares shall be entitled to pay the Purchase Price as if the Seller were a Bad Leaver.

Right to withdraw Transfer Notice

18.6 Other than where the Transfer Notice is a Deemed Transfer Notice (or where stated in a Relevant Agreement), where:

- (a) the Expert has determined the Price per Sale Share;
- (b) if the Price per Sale Share is not acceptable to the relevant Seller;

the relevant Seller shall be entitled to revoke the Transfer Notice by giving notice in writing to the Directors provided that:

- (c) the relevant Seller does so within a period of 10 Business Days after the Determination Date (such period being herein referred to as '**Withdrawal Period**'); and
- (d) the relevant Seller agrees to pay all of the costs of the Expert.
- (e) if a Seller revokes a Transfer Notice he may not subsequently transfer the shares the subject of the Transfer Notice (or any interest therein) otherwise than in accordance with these Articles and/or any Relevant Agreement.

Contents of Transfer Offer Notice

18.7 Each offer of Sale Shares pursuant to this Article 18 (*Voluntary Transfers*) (each a **Transfer Offer Notice**) shall specify:

- (a) that each Relevant Eligible Shareholder in respect of such offer:
 - (i) is entitled to apply for some or all of the Sale Shares (or as the case may be the Subsequent Available Sale Shares) at a price per Sale Share equal to the Price per Sale Share; and
 - (ii) shall, if such Relevant Eligible Shareholder wishes to apply, have a period of 25 Business Days from the date such offer is issued (**Acceptance Period**) within which to deliver such Relevant Eligible Shareholder's application for Sale Shares (or as the case may be the Subsequent Available Sale Shares) to the Company; and
- (b) whether the Transfer Notice contained a Total Sale Condition.

Priority and Relevant Eligible Shareholders

18.8 The **Relevant Eligible Shareholders** shall in respect of each class of Shares and each offer (respectively **First Offer**, **Second Offer** and so on) made pursuant to this Article 18 (*Voluntary Transfers*) be as follows:

A Shares	
First Offer	to the other A Shareholders (if any).
Second Offer	to the B Shareholders and the C Shareholders as if they constituted one class of shares.
Third Offer	to such person(s) (if any) as a Shareholder Majority of other Shareholders may nominate provided that such person(s) have first agreed in such form as the Directors may require to accept any allocation of the Sale Shares to them. Such person(s) (if any) shall be deemed to be an

	Eligible Shareholder(s) for the purposes of any such offer made.
B Shares	
First Offer	to the other B Shareholders (if any).
Second Offer	to the C Shareholders.
Third Offer	to such person(s) (if any) as a Shareholder Majority of other Shareholders may nominate provided that such person(s) have first agreed in such form as the Directors may require to accept any allocation of the Sale Shares to them. Such person(s) (if any) shall be deemed to be an Eligible Shareholder(s) for the purposes of any such offer made.
C Shares	
First Offer	to the other C Shareholders (if any).
Second Offer	to the B Shareholders.
Third Offer	to such person(s) (if any) as a Shareholder Majority of other Shareholders may nominate provided that such person(s) have first agreed in such form as the Directors may require to accept any allocation of the Sale Shares to them. Such person(s) (if any) shall be deemed to be an Eligible Shareholder(s) for the purposes of any such offer made.

First Offer and Allocation of Shares

- 18.9 Within 5 Business Days of the Determination Date (or if later the expiry of the Withdrawal Period), the Company shall issue a Transfer Offer Notice to each of the Relevant Eligible Shareholders in respect of the First Offer offering for sale the Sale Shares at the Price per Sale Share. Subject to Article 18.12 (*Voluntary Transfers - total transfer condition*), on the expiry of the Acceptance Period for such offer:
- (a) if the total number of Sale Shares applied for is **equal to or less than** the total number of Sale Shares, the Company shall allocate (as the case may be on a provisional basis) to each Relevant Eligible Shareholder the number of Sale Shares such Relevant Eligible Shareholder applied for;
 - (b) if the total number of Sale Shares applied for is **greater than** the total number of Sale Shares, the Company shall allocate:
 - (i) the Sale Shares, in the Offer Proportions, amongst the Relevant Eligible Shareholders who have applied for them (but without allocating to any

Relevant Eligible Shareholder more Sale Shares than such Relevant Eligible Shareholder applied for); and

- (ii) any remaining Sale Shares, in the Offer Proportions, to those Relevant Eligible Shareholders whose applications for Sale Shares have not yet been satisfied in full (but without allocating to any Relevant Eligible Shareholder more Sale Shares than such Relevant Eligible Shareholder applied for) and any remaining Sale Shares shall be allocated by re-applying the provisions of this Article 18.9(b)(ii). If at any stage of the process to applied by this Article 18.9(b)(ii) any of the Sale Shares shall not be capable of being allocated to such Relevant Eligible Members as aforesaid without involving fractions, such Sale Shares as cannot be so allocated shall be allocated amongst such Relevant Eligible Members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the Directors shall think fit.

Subsequent Offers and Allocation of Shares

- 18.10 If (whether following the First Offer or any Subsequent Offer) there are any Unallocated Shares (save where there are no further persons specified (or capable of being specified) in Article 18.8 (*Priority and Relevant Eligible Shareholders*)), the Company shall (within 5 Business Days of the end of the Acceptance Period of the Previous Offer) issue a Transfer Offer Notice (**a Subsequent Offer Notice**) to the next Relevant Eligible Shareholders (in the order prescribed in (or specified pursuant to) Article 18.8 (*Priority and Relevant Eligible Shareholders*)) in respect such Unallocated Shares (in respect of each Subsequent Offer Notice the **Subsequent Available Sale Shares**) offering for sale at the Price per Sale Share the Subsequent Available Sale Shares (each a **Subsequent Offer**).
- 18.11 Subject to Article 18.12 (*Voluntary Transfers - total transfer condition*) on the expiry of the Acceptance Period in respect of each Subsequent Offer:
- (a) if the total number of Subsequent Available Sale Shares applied for is **equal to or less** than the total number of Subsequent Available Sale Shares, the Company shall allocate (as the case may be on a provisional basis) to each Relevant Eligible Shareholder the number of Subsequent Available Sale Shares such Relevant Eligible Shareholder applied for;
 - (b) if the total number of Subsequent Available Sale Shares applied for is **greater than** the total number of Subsequent Available Sale Shares, the Company shall allocate:
 - (i) the Subsequent Available Sale Shares, in the Offer Proportions, amongst the Relevant Eligible Shareholders who have applied for them (but without allocating to any Relevant Eligible Shareholder more Subsequent Available Sale Shares than such Relevant Eligible Shareholder applied for); and
 - (ii) any remaining Subsequent Available Sale Shares, in the Offer Proportions, to those Relevant Eligible Shareholders whose applications for Subsequent Available Sale Shares have not yet been satisfied in full (but without allocating to any Relevant Eligible Shareholder more Subsequent Available Sale Shares than such Relevant Eligible Shareholder applied for) and any remaining

Subsequent Available Sale Shares shall be allocated by re-applying the provisions of this Article 18.11(b)(ii). If at any stage of the process to applied by this Article 18.11(b)(ii) any of the Subsequent Available Sale Shares shall not be capable of being allocated to such Relevant Eligible Members as aforesaid without involving fractions, such Subsequent Available Sale Shares as cannot be so allocated shall be allocated amongst such Relevant Eligible Members, or some of them, in such proportions as may be determined by lots drawn in respect thereof, and the lots shall be drawn in such manner as the Directors shall think fit.

Total transfer condition

18.12 If the Transfer Notice contained a Total Sale Condition the Company shall not allocate any of the Sale Shares pursuant to Article 18.9 (*first offer and allocation of shares*) or 18.11 (*subsequent offers and allocation of shares*) unless all of the Sale Shares can be so allocated provided always that the Company shall be entitled to make provisional allocations pending the outcome of any Subsequent Offer Notices which shall when there are no further persons specified (or capable of being specified) in Article 18.8 (*Priority and Relevant Eligible Shareholders*):

- (a) lapse if there still remain any Unallocated Shares; or
- (b) become final in any other case and be deemed allocated at that date pursuant to Article 18.13 (*Effect of Allocation*).

Effect of Allocation

18.13 If once (the date upon which this has occurred being the **Allocation Date**):

- (a) all offers to be made pursuant to Article 18.9 (*first offer and allocation of shares*) and/or 18.11 (*subsequent offers and allocation of shares*) have been made; and
- (b) any allocations that have been made on a provisional basis have become final,

any of the Sale Shares are allocated (but not including allocations on a provisional basis) by the Company pursuant to Article 18.9 (*first offer and allocation of shares*) and/or 18.11 (*subsequent offers and allocation of shares*) and/or Article 18.12 (*Total transfer condition*):

- (c) the person(s) to whom they are allocated (each an **Allocated Person**) shall be bound to acquire the Sale Shares allocated to them (and the Seller bound to sell them) on the terms on which they were offered for sale; and
- (d) the Company shall as soon as practicable and in any event within 10 Business Days of the Allocation Date give notice in Writing (**Completion Notice**) to the Seller and to each Allocated Person specifying:
 - (i) the number of Sale Shares allocated to that Allocated Person (such Sale Shares being in relation to that Allocated Person **their Sale Shares**) and the Purchase Price payable for those Sale Shares; and

- (ii) the time, date and place of Completion (which shall be on a Business Day which is no less than 5 and no more than 20 Business Days after the date of the Completion Notice).

Completion

18.14 At Completion:

- (a) each Allocated Person shall (subject to the terms of any Relevant Agreement) pay the Purchase Price (or that part then payable) in respect of the relevant Sale Shares to be purchased by that Allocated Person:

- (i) to the Seller; or
- (ii) if the Seller is not present at Completion, to the Company to be held for the Seller on the terms of Article 18.16. The receipt of the Company for the Purchase Price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it);

- (b) the Seller shall:

- (i) deliver to each relevant Allocated Person a Transfer Form in respect of their Sale Shares;

- (ii) where:

- (A) there is only one Allocated Person: deliver to such Allocated Person;
- (B) where there is more than one Allocated Person: deliver to the Directors,

the relevant share certificates or, in the absence of such certificates, Missing Share Certificate Indemnity Form(s).

Default by Seller

- 18.15 If the Seller defaults in transferring any Sale Shares to an Allocated Person pursuant to (or otherwise complying with any obligation arising under) Article 18.13 (*Effect of Allocation*) and/or Article 18.14 (*Completion*), (as security for the obligations of the Seller) the Company is unconditionally and irrevocably authorised to appoint any person as agent and attorney of the Seller to:

- (a) execute (as the case may be) any Transfer Form and/or Missing Share Certificate Indemnity Form(s) for those Sale Shares in the name, and on behalf, of the Seller;
- (b) do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article 18); and

and when that Transfer Form has been duly stamped (or duly certified as exempt from duty) the Company shall cause the name of that Allocated Person to become the Holder of those Sale Shares and after that, the validity of the proceedings shall not be questioned by any person.

Monies held by Company

- 18.16 Any money held on trust by the Company for the Seller in respect of any Sale Shares shall be held on an interest free basis and only be released to the Seller on production of:
- (a) the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Person(s); and
 - (b) a signed acknowledgment (in such form as the Directors may specify) that there has been no defect in the transfer of the Sale Shares to which **any** of the monies held relates.

Unsold Shares – right to Sell

- 18.17 If the Company cannot allocate all of the Sale Shares pursuant to Article 18.9 (*first offer and allocation of shares*) and/or 18.11 (*subsequent offer and allocation of shares*) or having provisionally allocated them, such allocations then lapse, the Company shall immediately notify the Seller in Writing (**Unsold Shares Notice**). The Seller may within three months of the date of the Unsold Shares Notice:
- (a) if the Transfer Notice contained a Total Sale Condition, sell all (but not some only) of the Sale Shares; or
 - (b) if the Transfer Notice did not contain a Total Sale Condition, sell all or any of the Sale Shares that have not been allocated pursuant to Article 18.9 (*first offer and allocation of shares*) or 18.11 (*subsequent offer and allocation of shares*) (**Unsold Shares**);

to (subject always to Article 16.11 (*prohibited transfers*)) any person at any price per Share which is not less than the Price per Sale Share at which such Shares were offered (or provisionally allocated to the Company) pursuant to Article 18.9 (*first offer and allocation of shares*) and/or 18.11 (*subsequent offer and allocation of shares*) provided all documents and information (including any required by Article 18.18 (*Unsold Shares – right to information*)) required to register the transfer of any such Shares is provided to the Directors within three months of the date of the Unsold Shares Notice.

Unsold Shares – right to information

- 18.18 The Directors may require the Seller to satisfy them (at the Seller's reasonable expense) that:
- (a) any transfer of Shares pursuant to Article 18.17 (*Unsold Shares – right to Sell*) is in pursuance of a sale in good faith for the consideration stated in the transfer;
 - (b) there are no collateral agreements which make the arrangement more favourable to the third party purchaser

and if they are not satisfied they may refuse to register the relevant Transfer Form.

19. Mandatory Transfers in respect of Leavers

Leaver must give Transfer Notice

- 19.1 Any person who becomes a Leaver shall immediately give the Company notice in Writing detailing the relevant circumstances.

Transfer Notice Deemed to be given unless Directors otherwise resolve

- 19.2 Any Leaver shall unless a Shareholders' Majority of other Shareholders resolve otherwise) be deemed to have served a Transfer Notice on the Leaving Date in respect of the Leaver's Shares and the provisions of Article 18 (*Voluntary Transfers*) shall apply except that:

- (a) the Seller shall be the Leaver;
- (b) the Sale Shares shall be the Leaver's Shares;
- (c) the Transfer Notice Date shall be the Leaving Date;
- (d) the Transfer Notice shall be **irrevocable**;
- (e) in relation to the Price per Sale Share in the case of a Leaver:
 - (i) by reason of **personal insolvency**: this shall be based upon the aggregate **nominal value** of the Sale Shares;
 - (ii) by reason of **death** or **mental illness**: this shall (save as may be provided in any Relevant Agreement) be based upon **Fair Value** of the Sale Shares and (save as may be provided in any Relevant Agreement) the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (iii) by reason of **cessation of employment** where the Leaver is also a **Good Leaver** this shall be based upon **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (iv) by reason of **cessation of employment** where the Leaver is also a **Bad Leaver** this shall be based upon **Net Asset Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **36 instalments**;
 - (v) by reason of **ceasing to be full time executive** this shall be based upon **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive

monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;

- (vi) by reason of a **breach of the transfer restrictions** or **other breach of transfer rules**: this shall be based upon the **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (vii) by reason of **breach of drag-along**: this shall be based upon the **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **12 instalments**;
 - (viii) by reason of a **breach of covenant** or a **breach of a Relevant Agreement**: this shall be based upon the **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (ix) by reason of **liquidation** or **other corporate insolvency** this shall be based upon the **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (x) by reason of **change of control** this shall be based upon the **Fair Value** of the Sale Shares and the buyer(s) of such shares shall have the right to pay for such shares by way of such number of interest free consecutive monthly instalments (the first being on the date for completion) as the Directors shall determine provided this does not exceed **24 instalments**;
 - (xi) by reason of a **required transfer** as specified by the Relevant Agreement in question; and
- (f) the Leaver and the Company shall have 10 Business Days (or such longer period as the Directors may resolve) after the Leaving Date or (if later) the date on which all the Directors become aware of the fact that the Leaver is a Leaver, in which to agree the Price per Sale Share before the matter is referred to an Expert;
 - (g) the Transfer Notice shall be deemed not to contain a Total Sale Condition; and
 - (h) in relation to any Unsold Shares, a Transmitlee who produces such evidence of entitlement to those Shares as the Directors may properly require, may choose either to become the Holder of those Shares or to have them transferred to any Family Member of the relevant Shareholder and the provisions of Articles 22 (*Compliance*

with Transfer Provisions) and 23 (Transmission of Shares) and 25 (Exercise of Transmittees' Rights) shall apply.

Mandatory transfer notices to prevail

- 19.3 Where any Shareholder has given a Transfer Notice in respect of a voluntary transfer pursuant to Article 18.1 (*Voluntary Transfers - Requirement to give Transfer Notice unless a Permitted Transfer*) (**first Transfer Notice**) and prior to the earlier of:

- (a) the date set for completion of the sale of the Sale Shares the subject of such first Transfer Notice; and
- (b) the date upon any Unsold Shares Notice is issued to such Shareholder pursuant to Article 18.17 (*Voluntary Transfers - Unsold Shares – right to Sell*),

such Shareholder becomes a Leaver who is deemed to have served a Transfer Notice by reason of Article 19.2 (**second Transfer Notice**) the second Transfer Notice shall (unless the Directors otherwise resolve) prevail and:

- (c) the first Transfer Notice; and
- (d) all contractual obligations to purchase and sell Shares as may have come into effect pursuant to the first Transfer Notice,

shall immediately cease to have effect and the Leaver shall be bound to pay any costs of any Expert and any third party costs incurred by the Company in relation to the Expert and/or the first Transfer Notice.

Duty to whistle blow

- 19.4 Any Shareholder who becomes aware of any other person becoming subject to an event meaning that person is a Leaver (or a Potential Leaver) shall immediately notify the Company in Writing of that event.

20. Drag along

Right to Drag

- 20.1 Whenever an Approved Offer is made, the A Shareholders (or if there are no A Shareholders, a **Shareholders' Majority**) (**Draggers**) shall have the right (**Drag Along Right**) to require (in the manner set out in Article 20.2) all of the other Holders of Shares (**Remaining Shareholders**) to accept the Approved Offer in full.

Exercise of Drag Right

- 20.2 The Drag Along Right may be exercised by the service of notice to that effect (**Drag Notice**) on the Remaining Shareholders by the Draggers at the same time as, or within five Business Days following, the making of the Approved Offer. Such notice shall be accompanied by all documents which would be required to be executed by the Remaining Shareholders to accept, and following acceptance of, the Approved Offer.

Obligations of Shareholders

- 20.3 On the exercise of the Drag Along Right, each of the Remaining Shareholders together with each of the Draggers will be bound to accept the Approved Offer in respect of its entire Holding of Shares and to comply with the obligations assumed by virtue of such acceptance.

Defaulting Shareholders

- 20.4 If any Shareholder (including as applicable any Dragger):
- (a) fails to accept the Approved Offer; or
 - (b) having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer; or
 - (c) otherwise fails to take any action required of it under the terms of the Approved Offer,
- (in each case a **Defaulting Shareholder**) the Draggers are unconditionally and irrevocably authorised to appoint any person or persons as agent and attorney of such Defaulting Shareholder and such person or persons so appointed by the Draggers may:
- (d) accept the offer on behalf of the Defaulting Shareholder in question; and/or
 - (e) undertake any action required under the terms of the Approved Offer on the part of the Defaulting Shareholder in question.
- In particular, any such person or persons may execute the necessary transfer(s) on that Defaulting Shareholder's behalf; and against:
- (f) receipt by the Company of the consideration payable for the relevant Shares (to be held on trust for such Defaulting Shareholder and otherwise on the terms set out in Article 18.16 (*Voluntary Transfers - Monies held by Company*)) such receipt being a good discharge to the Buyer who will not be bound to see to the application of it; and
 - (g) compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee).

- 20.5 The Directors will then authorise registration of the transfer(s), and of the Buyer (or its nominee) as the Holder(s) of such Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the Buyer as registered Holder(s) of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

This article to prevail/conflict with Tag Along

- 20.6 In the event of any conflict between the provisions of this Article 20 (*Drag Along*) and Article 21 (*Tag Along*), the provisions of this Article shall prevail. Without prejudice to the generality of the foregoing, the provisions of this Article 20 shall prevail over any contrary provisions of these

Articles or any Relevant Agreement (save to the extent expressly provided in any such Relevant Agreement by reference to this Article).

Effect of Drag on existing Transfer Notices

- 20.7 Any Transfer Notice (not being a Deemed Transfer Notice) served in respect of any Shares shall automatically be revoked by the service of a Drag Notice. Any Deemed Transfer Notice served in respect of any Shares shall automatically be deemed suspended by the service of a Drag Notice and if the Approved Offer the subject of the Drag Notice fails to complete it shall be recommenced at the point it was suspended and if the Approved Offer the subject of the Drag Notice completes it shall automatically be deemed revoked.

21. Tag Along

- 21.1 No transfer of Shares (other than pursuant to Article 20 (*Drag Along*)) which would result, if made and registered, in a person or persons Acting in Concert not having been a Shareholder on the Adoption Date obtaining a Controlling Interest, will be made or registered unless:

- (a) what would otherwise be an Approved Offer (**Tag Along Offer**) is made by the proposed transferee(s) (**Tag Along Buyer**) to all Shareholders in respect of the Shares Held by them which the Tag Along Buyer had not already agreed to purchase;
- (b) the Tag Along Buyer complies in all respects with the terms of the Tag Along Offer at the time of completion of the sale and purchase of Shares pursuant to it;
- (c) the Tag Along Offer:
 - (i) offers to purchase the Shares at a purchase price which having regard to all the terms of the offer can be reasonably expected to result in a purchase price being not less than the Fair Value of such Shares (as if such shares were Sale Shares) as at the date of such offer and the date of such offer were the Transfer Notice Date;
 - (ii) includes an undertaking on behalf of the Tag Along Buyer to amend the offer (if and so required by an Expert appointed under Article 21.2) and to pay any costs that an Expert may determine should be payable by the Tag Along Buyer.

- 21.2 If there shall be any dispute as to whether a Tag Along Offer meets the requirements of Article 21.1(c) (an **Approved Tag Along Offer**) the dispute shall be referred by the Company on the application of any Shareholder (who agrees to bear the costs of the Expert subject to any direction as to costs by the Expert) made within strictly within 10 Business Days of the Tag Along Offer having been made to an Expert who shall certify:

- (a) whether or not the Tag Along Offer is an Approved Tag Along Offer and if not what changes to such Tag Along Offer should be made to make the Tag Along Offer an Approved Tag Along Offer; and
- (b) who in all the circumstances should be responsible for the costs of the Expert, which in the absence of direction to the contrary shall be the Company.

21.3 The Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply and the certificate of the Expert shall, in the absence of manifest error, be final and binding.

21.4 Provided always that:

- (a) a Tag Along Offer shall be deemed to be an Approved Tag Along Offer unless the Expert determines that it is not so in some material respect;
- (b) any benefit of doubt as to whether a Tag Along Offer constitutes an Approved Tag Along Offer shall belong to the Tag Along Buyer;
- (c) the Expert shall have regard that the purpose of this mechanism not to determine the Fair Value but in broad terms whether the Tag Along Offer is "there or there about"

the Expert shall resolve the dispute as he shall think fit

22. Compliance with Transfer Provisions

Obligation to provide information

22.1 Without prejudice to Article 18.18 (*Voluntary Transfers - Unsold Shares – right to information*), for the purpose of ensuring compliance with the provisions of Articles 16 (*Share Transfers: General*) to 21 (*Tag Along*) (inclusive), the Directors may require any Leaver or Shareholder to procure (to the extent that such Leaver or Shareholder is able) that:

- (a) such Leaver or Shareholder;
- (b) any proposed transferee of any Shares; or
- (c) such other person as is reasonably believed to have information and/or evidence relevant to that purpose;

provides to the Directors any information and/or evidence relevant to that purpose (by way of sworn statement if so requested) and until that information and/or evidence is provided the Directors shall refuse to register any relevant transfer of Shares (except with an **Absolute Shareholders' Consent** of the **other Shareholders**).

Company appointed as agent

22.2 Without prejudice to any other provisions of agency or powers of attorney (whether contained in these Articles or otherwise) each Shareholder unconditionally and irrevocably authorises the Company to appoint any person as such person's agent to give effect to the provisions of these Articles.

23. Disenfranchisement

23.1 This Article applies where a Shareholder has transferred a Share (in this Article the **relevant Share**) in breach of these Articles or any Relevant Agreement and until such breach has been remedied to the reasonable satisfaction of **a 90% Shareholders' Majority** of the **other Shareholders**.

23.2 Where this Article applies **a 90% Shareholders' Majority** of the **other Shareholders** may at any time direct in Writing (**Disenfranchisement Notice**) that the relevant Share shall be disenfranchised (subject to Article 23.1) for such period or until such event as such **Shareholders' Majority** may in its absolute discretion determine and in the event of such a direction being made the relevant Share shall (save as specified in such direction or save as **a 90% Shareholders' Majority** of the **other Shareholders** may from time to time direct) notwithstanding any other provision of these Articles:

- (a) cease to carry the rights to receive notice of, attend at and vote at general meetings;
- (b) cease to carry the right to receive or vote on any written resolution;
- (c) cease to have any rights to participate in any dividends or other income distributions;
- (d) cease to be taken into account in calculating any consent or majority required by these Articles which would but for this provision require the consent of the Holder of such shares;
- (e) shall cease to enjoy the right to participate in any offer of shares (whether on transfer or issue),

in each case save to the extent prohibited by law.

23.3 More than one Disenfranchisement Notice (each having a different effect) may be served on a Shareholder at any one time and at different times (and delay shall not affect the rights of **a 90% Shareholders' Majority** of the **other Shareholders** to serve a Disenfranchisement Notice) and a Disenfranchisement Notice may relate to more than one Share held by a Shareholder and it is not necessary that Disenfranchisement Notices are served in respect of all a Shareholder's Shares.

24. Transmission of Shares

24.1 If title to a Share passes to a Transmitttee, the Company may only recognise that Transmitttee as having any title to that Share.

24.2 Subject to the other provisions of these Articles, and pending any transfer of Shares to another person, a Transmitttee has the same rights as the Holder had but, except as provided by Article 10.3 (*Appointment and removal of Directors – No Directors or Shareholders*) a Transmitttee does not have the right to attend or vote at a general meeting or agree to a proposed written resolution, in respect of any Shares to which the Transmitttee is entitled by reason of the Holder's death or bankruptcy or otherwise, unless that Transmitttee becomes the Holder of those Shares.

25. Exercise of Transmitttees' rights

25.1 A Transmitttee who in accordance with Article 19.2(h) (Mandatory Transfers in respect of Leavers - Transfer Notice Deemed to be given unless Directors otherwise resolve) chooses:

- (a) to become the Holder of any Shares to which the Transmitttee has become entitled, must notify the Company in Writing of that choice; and

- (b) to have a Share transferred to another person, must execute a Transfer Form in respect of it.

25.2 Any transfer made or executed under this Article 25 is to be treated as if it were made or executed by the person from whom the Transmittor has derived rights in respect of the relevant Share and as if the event which gave rise to the transmission had not occurred.

26. Transmitters bound by prior notices and events

26.1 If a notice is given to (or deemed given by) a Shareholder in respect of any Shares and a Transmitter is entitled to those Shares, that Transmitter is bound by the notice if it was given to (or by) that Shareholder before that Transmitter's name has been entered in the register of members as Holder of those Shares.

26.2 If an event occurred in relation to a Shareholder which meant that such Shareholder could on the passing of a resolution of a **Shareholders' Majority** become a Leaver and a Transmitter has subsequently to that event become entitled to such Shareholder's Shares, a **Shareholders' Majority** shall be entitled to resolve that the Transmitter shall be a Leaver on the basis that they could have resolved that such Shareholder become a Leaver.

SHAREHOLDER MEETINGS

27. Quorum for general meetings

Quorum must be present to transact business

27.1 No business other than the appointment of the Chairman of the General Meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

What constitutes a quorum

27.2 **If the Company has only one Shareholder**, one Qualifying Person in attendance at a general meeting is a quorum.

27.3 **If the Company has more than one Shareholder**, two or more Qualifying Persons who between them they carry **in excess of 50%** of the voting rights exercisable in general meeting (and who for the avoidance of doubt are and/or represent two or more Shareholders) are a quorum.

Adjournments by reason of lack of quorum

27.4 If a meeting has been adjourned by reason of a lack of quorum and if at the adjourned meeting the quorum required by Article 27.3 is not present within 15 minutes from the time appointed for the adjourned meeting the quorum required at such adjourned meeting shall be two or more Qualifying Persons provided that between them they carry **at least of 50%** of the voting rights exercisable in general meeting and if such a quorum is not so present the meeting shall stand dissolved.

28. Chairing general meetings

- 28.1 The Chairman of the General Meeting **shall not** have a casting vote.

29. Adjournment of general meetings

- 29.1 If the persons attending a general meeting within 30 minutes of the time at which the meeting was due to start do not constitute a quorum or if during a general meeting a quorum ceases to be present, the Chairman of the General Meeting must adjourn it.
- 29.2 The Chairman of the General Meeting may adjourn a general meeting at which a quorum is present if:
- (a) that meeting consents to an adjournment; or
 - (b) it appears to the Chairman of the General Meeting that an adjournment is necessary to protect the safety of any person attending that meeting or ensure that the business of that meeting is conducted in an orderly manner.
- 29.3 The Chairman of the General Meeting must adjourn a general meeting if directed to do so by that meeting.
- 29.4 When adjourning a general meeting, the Chairman of the General Meeting must:
- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
 - (b) have regard to any directions as to the time and place of any adjournment which have been given by that meeting.
- 29.5 If the continuation of an adjourned meeting is to take place more than 10 Business Days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- (a) to the same persons to whom notice of the Company's general meetings is required to be given; and
 - (b) containing the same information which such notice is required to contain.
- 29.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the relevant general meeting if the adjournment had not taken place.

30. Voting at general meetings

Voting to be on show of hands unless poll demanded

- 30.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.

Number of votes

30.2 Each Shareholder shall have such voting rights as are set out in Article 12 (*Share Capital*).

31. Poll votes

31.1 A poll on a resolution may be demanded:

- (a) in advance of the general meeting where it is to be put to the vote; or
- (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

31.2 A poll may be demanded by:

- (a) the Chairman of the General Meeting;
- (b) the Directors;
- (c) two or more persons having the right to vote on the relevant resolution; or
- (d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the relevant resolution.

31.3 A demand for a poll may be withdrawn if:

- (a) the poll has not yet been taken; and
- (b) the Chairman of the General Meeting consents to the withdrawal.

31.4 Polls must be taken immediately and in such manner as the Chairman of the General Meeting directs.

Schedule A – Restons Solicitors Limited (company number 05584055)

1. Definitions and Interpretation

1.1 The definitions set out in this Paragraph 1.1 apply in these Articles.

Acceptance Period: has the meaning given in Article 18.7.

Acting in Concert: has the meaning given by the City Code on Takeovers and Mergers as in force and construed on the Adoption Date.

Acquisition Cost: in relation to any Shares Held by any Shareholder their aggregate acquisition cost (whether purchase or subscription price and whether or not yet paid or called) to that Shareholder but excluding any stamp duty, other fees and expenses.

Adoption Date: the date of adoption of these Articles.

Allocated Person: has the meaning given in Article 18.13.

Allocation Date: has the meaning given in Article 18.13.

Appropriate Discount: a discount (having regard to the regard to the percentage of the issued Equity Share capital that the Equity Shares in question represent) in line with the following:

- an interest of over 50%: a discount of 5% to 10%;
- an interest of 50%: a discount of 15% to 25%;
- an interest greater than 25% but less than 50%: a discount of 30% to 40%;
- an interest less than 25% but greater than or equal to 10%: a discount of 45% to 50%; and
- an interest less than 10%: a discount of 60% to 75%.

Authorisation: has the meaning given in Article 8.2.

Authorised Person:

- (a) any Director;
- (b) the company secretary (if any); or
- (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

Board Meeting Decision: a majority (by voting rights) decision taken at a quorate Directors' meeting.

Business Day: a day (other than a Saturday, Sunday or public holiday) when banks in London are open for business.

Buy Back Agreement: an own share purchase agreement that:

- (a) complies with and its terms are consistent with the requirements of sections 690 to 736 (inclusive) of the Companies Act provided always that where it has been determined in accordance with Article 19 (*Mandatory Transfers in respect of Leavers*) the Purchase Price shall be paid by instalments the Buy Back Agreement may specify a series of matching completion dates and provide for a waiver by the Seller of all rights in relation to any Shares not purchased on the date of entry into the Buy Back Agreement;
- (b) is (subject as aforesaid) be in the form (if any) specified in any Relevant Agreement and in the absence of any such specification in a form approved by the Directors provided that such Directors shall not specify a form which would impose any obligations on the Seller other than to:
 - (i) sell the relevant Sale Shares to the Company and to the effect that they will be so sold on the terms provided in Article 16.10; and
 - (ii) provide for the rights of the Company in the event of the default by the Seller with any of the Seller's obligations under the Buy Back Agreement.

Buyer: the person or persons making the Approved Offer.

Capitalised Sum: has the meaning given in Paragraph 27.1(b).

Chairman: the chairman of the Company from time to time.

Chairman of the General Meeting: the person chairing the relevant general meeting.

Companies Act: the Companies Act 2006.

Completion: completion of the sale of the relevant Sale Shares in accordance with these Articles.

Completion Notice: has the meaning given in Article 18.13.

Conflict: has the meaning given in Article 8.1.

Conflicted Director: has the meaning given in Article 8.1.

Connected Person: the meaning given in the Shareholders' Agreement.

Controlling Interest: means an interest (within the meaning of schedule 1 to the Companies Act) in shares in a company conferring in aggregate more than 50% of the total voting rights conferred by all the issued shares in that company, taking account at the relevant time of provisions regarding voting rights contained in the articles of association of that company.

Deed of Adherence: a deed (in such form as may be prescribed by any Relevant Agreement or in the absence of such prescription as may reasonably be required by the Board) under which the transferee or allottee agrees to be bound by the terms of any Relevant Agreement.

Deemed Transfer Notice: a Transfer Notice that is deemed to have been (or required to be) given whether under these Articles or any Relevant Agreement.

Determination Date: the date in respect of Sale Shares that the Price per Sale Share is agreed in Writing between the Company and the Seller or determined in accordance with these Articles, which in the case of determination by an Expert shall be the date upon which the Company receives the Expert's determination.

Director: a director of the Company, including any person occupying the position of director, by whatever name called.

Distribution Recipient: in relation to a Share in respect of which a dividend or other sum is payable:

- (a) the Holder of that Share;
- (b) if that Share has two or more joint Holders, whichever of them is named first in the register of members; or
- (c) if the Holder is no longer entitled to that Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittée.

Drag Along Right: the meaning given in Article 20.1.

Drag Notice: has the meaning given in Article 20.2.

Electronic Form: has the meaning given in section 1168 of the Companies Act.

Eligible Directors: in relation to any matter, the Directors who would have been entitled to vote on, and whose votes would have been counted in respect of, that matter had it been proposed as a resolution at a Directors' meeting.

Eligible Shareholders: each person who is (or is deemed to be) an Equity Shareholder at the Transfer Notice Date (or as the case may be Offer Notice Date) excluding:

- (a) any Leaver (including for the avoidance of doubt:
 - (i) the Leaver to whom the Transfer Notice if any relates;

Schedule A – Restons Solicitors Limited (company number 05584055)

- (ii) any person who becomes a Leaver after the Transfer Notice Date but prior to the making of any offer to such person (whether as part of a First Offer or any Subsequent Offer);
 - (iii) any person who becomes a Leaver after the Offer Notice Date but prior to the allotment to such person of any shares under the provisions of Article 14.3 (*Pre-emption Rights on Allotment*) and for the purposes of such Article any such person shall be deemed not to have applied for any shares; and
- (b) (if a Shareholders' Majority, to be calculated excluding the Potential Leaver, shall direct) any Potential Leaver;
 - (c) an Employee who has given or been given notice to terminate such Employee's contract of employment with any Group Company and following that termination will cease to be an Employee;
 - (d) any other Shareholder who at any time before that date has given (or is deemed to have given) a current Transfer Notice in respect of any Equity Share or who is bound under these Articles or any Relevant Agreement to give a Transfer Notice in respect of any Equity Share.

Employee: a person who is either:

- (a) an employee of any Group Company; or
- (b) an individual providing services to a Group Company under a contract for services (including through the medium of a personal service company).

Equity Securities: subject as provided below in this paragraph has the meaning given in section 560(1) of the Companies Act and **Equity Share** means a share in the capital of the Company being an Equity Security and the Holder of an Equity Share is in relation to such shares an **Equity Shareholder**. The Equity Shares in issue at the Adoption Date are the A Shares, the B Shares and the C Shares.

Executive Services: services of the nature of a senior executive comparable to the other Shareholders in the Company.

Expert: the meaning given to such term in the Shareholders' Agreement acting as provided in the Shareholders' Agreement.

Fairly Dismissed: dismissed where:

- (a) the reason (or, if more than one, the principal reason) relates to the conduct of the employee; and
- (b) the dismissal is fair within the meaning of s98(4) of the Employment Rights Act 1996 ignoring however any procedural unfairness (whether that unfairness is in breach of any contractual, common law or statutory requirement) or any failure (if any) to give notice in accordance with the terms of that member's contract of employment.

The provisions of this definition shall not operate to affect any employment rights of the member concerned and is solely a definition to be applied in determining whether the member concerned is, for the purposes of these Articles, a 'Good Leaver' or a 'Bad Leaver'. Where a person has been dismissed for a reason capable of falling within the terms of this definition they shall be deemed fairly dismissed within the meaning of this definition unless and until there shall be any finding to the contrary by a competent court or tribunal.

Family Members: in relation to any Shareholder, that Shareholder's spouse and children (including step and adopted children) provided in each case they are over the age of 18 each a **Family Member**.

Family Trust: in relation to a Shareholder, a trust:

- (a) of which that Shareholder is the settlor;
- (b) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of:
 - (i) that Shareholder and/or a Family Member of that Shareholder; or
 - (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities); and
- (c) under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees, that Shareholder or any Family Member of that Shareholder;
- (d) the other terms and trustees of which have been approved by a Shareholders' Majority;

and "**trust**" includes a trust arising under a settlement, or declaration of trust, inter vivos but excludes testamentary disposition or a trust arising on an intestacy.

Fully Paid: in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been Paid to the Company.

Full Time: on average measured over a 12-month period (ignoring permitted absence for holiday leave, whether paid or unpaid and ignoring any absence due to incapacity while the Employee is contractually entitled to be paid sick pay) not less than 30 hours per week.

Group: the Company and each Subsidiary.

Group Company: any member of the Group.

Hard Copy Form: has the meaning given in section 1168 of the Companies Act.

Holder: in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time and **Hold**, **Held** and **Holding** shall be construed accordingly.

Index Linked: the meaning and implications (if any) given in the Shareholders' Agreement.

Interested Director: has the meaning given in Article 9.1.

Issue Price: in relation to any Share, the price at which that Share is issued (being the aggregate of the amount Paid in respect of the nominal value of that Share and any share premium on that Share).

Leaving Date: in relation to any Leaver, the date on which such person becomes a Leaver (which, in the case of any Leaver who becomes a Leaver by virtue of ceasing to be an Employee, shall be the Termination Date in relation to that former Employee).

Market Value: the price which is the open market value for all of the Sale Shares at the Transfer Notice Date on the following assumptions:

- valuing the Sale Shares as on an arm's length sale between a willing vendor and a willing purchaser;
- if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- that the Sale Shares are capable of being transferred without restriction;
- taking full account of the rights and other restrictions attached to the Sale Shares including whether the Sale

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Shares do or do not (taken as a whole) confer any right of control of the Company and applying an Appropriate Discount having regard to the percentage of the issued Equity Share capital that they represent; and

- taking into account as appropriate the effect of any options to subscribe for shares in the capital of the Company.

If determination of the Market Value (or as the case may be, the **Price per Sale Share**) shall be referred to an Expert any difficulty in applying the above assumptions shall be resolved as the Expert shall in the Expert's absolute discretion think fit.

Material Engagement Breach: a breach of by an Employee of the express and/or implied duties of the contract by which such Employee is engaged in such a manner as to entitle the counterparty to such agreement to terminate the agreement without notice (whether or not such termination would be fair (within the meaning of s98 Employment Rights Act 1996)) whether at law generally or by reason of the express contractual provisions of the terms of engagement (and for the purposes of this definition no regard shall be had to any terms that might be implied to such contract which might fetter the contractual rights to exercise such express rights) and whether or not such counterparty is aware of such breach or exercises such right.

Meaningful Consultation: prior meaningful consultation of the persons specified with a view to obtaining the consent to the matter requiring consultation provided always for the avoidance of doubt the consent of the persons specified shall not be required.

Missing Share Certificate Indemnity Form(s): as required a form or forms of Indemnity for lost share certificate(s) in such form as the Directors may reasonably require duly executed by the transferor.

month: means calendar month.

Net Asset Value: the net asset value of the Company and its subsidiaries (if any) as at the Transfer Notice Date on the following assumptions and bases:

- valuing the net assets of the Group (excluding goodwill and all other intangible assets) as on an arm's length sale between a willing vendor and a willing purchaser;
- if any company in the Group is then carrying on business as a going concern, the continuing in business as a going concern of that company with its assets being valued accordingly;
- including provisions and adjustments for bad and doubtful debts and otherwise as the Expert may (on the same bases as those customarily applied in the previously filed statutory accounts of the Group) consider appropriate but excluding any allowance or provision for deferred taxation;
- the application in all other respects of principles and practices consistent with those customarily applied in the previously filed statutory accounts of the Group unless inconsistent with UK GAAP, in which case the latter shall prevail;
- subject thereto by applying UK GAAP.

provided always that if any difficulty shall arise in applying any of the foregoing assumptions or bases then such difficulty shall be resolved by the Expert in such manner as the Expert shall in the Expert's absolute discretion think fit and by applying the following formula.

$(A/B) \times C$

where: **A** is the total nominal value of all the Sale Shares, **B** is the total nominal value of all the Equity Shares at the date of the transfer notice and **C** is the net asset value of the Group determined as aforesaid.

NewHoldCo: a company formed by one or more Shareholders (not including the Seller) for the purpose acquiring the entire issued share capital of the Company as to the Shares Held by:

- the Seller: by way of sale and purchase;
- the other Shareholders: by way of share exchange (so as to leave such Shareholders in the position they would have been had they remained shareholders in the Company and the Company had bought the Sale Shares),

and in respect of which a shareholders' agreement on substantially the same terms as the Shareholders' Agreement has been entered into and which has adopted articles of association in substantially the same form as these Articles.

Offer: has the meaning given in Article 14.2.

Offer Notice: has the meaning given in Article 14.2.

Offer Notice Date: the date of the Offer Notice.

Offer Period: has the meaning given in Article 14.2.

Offer Proportions: in relation to the Eligible Shareholders (or as the case may be Relevant Eligible Shareholders) concerned, in proportion (as nearly as possible without involving fractions) to the nominal value of (unless otherwise stated) the Equity Shares held by them respectively at the Offer Notice Date or the Transfer Notice Date in question (as the case may be).

Offered Securities: has the meaning given in Article 14.2.

Ordinary Resolution: has the meaning given in section 282 of the Companies Act.

Potential Leaver: a Shareholder subject to an event or circumstance where another Shareholder or group of Shareholders may determine (but have not yet so determined) such Shareholder to be a Leaver.

Paid: paid or credited as paid.

Participate: has the meaning given in Paragraph 9.1 and "Participating" shall be construed accordingly.

Persons Entitled: has the meaning given in Paragraph 27.1(b).

Previous Offer: the First Offer or as the case may be the Subsequent Offer immediately prior to the Subsequent Offer in question.

Proxy Notice: has the meaning given in Paragraph 31.1.

Proxy Notification Address: has the meaning given in Paragraph 32.1.

Qualifying Period: in relation to a Shareholder the period from the date upon which such Shareholder first became a Shareholder to the date 60 calendar months later.

Qualifying Person:

- (a) an individual who is a Shareholder;
- (b) a person authorised under section 323 of the Companies Act to act as the representative of a company in relation to the relevant general meeting; or
- (c) a person appointed as proxy of a Shareholder in relation to the relevant general meeting.

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Relevant Agreement: means any agreement relating (in whole or in part) to:

- (a) the management and/or affairs of the Company; or
- (b) shares in the capital of the Company,

which at the time it was entered into (whether or not with other parties) was executed by all the then Shareholders and either expressly (which without prejudice to any other method of expressing this may be made clear by declaring such an Agreement to be a "Relevant Agreement" for the purpose of these Articles) or by implication is to prevail over or supplement the terms of these Articles.

Relevant Director: any director or former director of any Group Company.

Relevant Eligible Shareholders: the meaning given in Article 18.8 (*Voluntary Transfers - Priority and Relevant Eligible Shareholders*).

Relevant Loss: any loss or liability which has been or may be incurred by a Relevant Director in connection with such Relevant Director's duties or powers in relation to any Group Company or any pension fund or employees' share scheme of any Group Company.

Remaining Shareholders: has the meaning given in Article 20.1.

Sale Shares: has the meaning given in Article 18.2 (and as the context requires shall include for the avoidance of doubt the Subsequent Available Sale Shares) and **their Sale Shares** shall have the meaning given in Article 18.13(d)(i).

Seller: has the meaning given in Article 18.1.

Share: means a share in the capital of the Company of whatever class.

Shareholder: a person who is the Holder of a Share.

Special Resolution: has the meaning given in section 283 of the Companies Act.

Subsequent Available Sale Shares: the meaning given in Article 18.10.

Subsequent Offer: the meaning given in Article 18.10.

Subsequent Offer Notice: the meaning given in Article 18.10.

Subsidiary: any company which is a subsidiary of the Company from time to time.

Termination Date: means:

- (a) where the person who has ceased to be an Employee was an employee of a Group Company immediately prior to ceasing to be an Employee:
 - (i) and that person ceased to be an Employee by virtue of notice given by the employer to the Employee concerned (save where (ii) below applies), the date on which that notice expires;
 - (ii) and that person is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which that notice was given or, if later, the date the Employee concerned ceases to be an Employee;
 - (iii) and that person ceased to be an Employee by virtue of a notice given by the Employee which complies with limb (d) of the concept of Good Leaver, the date such person ceases to be an Employee;
 - (iv) in any other case, the date on which the contract of employment is terminated, and

- (b) where the person who has ceased to be an Employee was engaged on a contract for services by a Group Company immediately prior to ceasing to be an Employee the date on which the contract for the provision of that Employee's services (whether entered into directly with that Employee or with a third party) with that Group Company is terminated.

Total Sale Condition: has the meaning given in Article 18.2.

Transaction: has the meaning given in Article 9.1.

Transfer Form: an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor.

Transfer Notice: has the meaning given in Article 18.1 provided always that references to a Transfer Notice shall (as appropriate) also include a Deemed Transfer Notice.

Transfer Notice Date: the date of the relevant Transfer Notice.

Transfer Offer Notice: has the meaning given in Article 18.7.

Transmittee: a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.

Unallocated Shares: any Shares offered pursuant to Articles 18.9 (*Voluntary Transfers - First Offer and Allocation of Shares*) or 18.10 (*Voluntary Transfers - Subsequent Offers and Allocation of Shares*) which have not been allocated (whether on a provisional or final basis).

Unsold Shares: has the meaning given in Article 18.17.

Unsold Shares Notice: has the meaning given in Article 18.17.

Writing: 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.

- 1.2 The rules of interpretation set out in Paragraphs 1.3 to 1.9 (inclusive) apply in these Articles.

- 1.3 A reference to:

- (a) a "**person**" includes a reference to:
 - (i) any individual, firm, partnership, unincorporated association or company wherever incorporated or situate; and
 - (ii) that person's legal personal representatives, trustees in bankruptcy and successors;

- (b) "**bankruptcy**", "**liquidation**", "**administration**" and "**receivership**" includes individual and corporate insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

- (c) a "**document**" includes, unless otherwise specified, any document sent or supplied in Electronic Form; and

- (d) a "**company**" shall include any company, corporation or other body corporate, however incorporated or established and in whichever jurisdiction.

- 1.4 Unless the context otherwise requires:

- (a) words denoting the singular shall include the plural and vice versa;
- (b) words denoting a **gender** shall include all genders; and
- (c) references to (or to any specified provision of) **these Articles** or any other document shall be construed as references to these Articles, that provision or that document as in force and as amended from time to time.

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- 1.5 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but so that this Paragraph 1.5 shall not operate so as to impose on any person any greater obligation than would otherwise apply.
- 1.6 Unless the context otherwise requires, words or expressions used in these Articles shall have the same meaning as in the Companies Act.
- 1.7 Terms “including”, “include”, “in particular” or similar expression, shall not limit the sense or application of any words preceding those terms.
- 1.8 A reference to an “Article” is to an article of these Articles.
- 1.9 A reference to a “transfer of Shares” or any similar expression shall include a sale or transfer of any interest in any Shares (or Share) (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares (or Share).

2. Number of Directors

- 2.1 Provided that the number of Directors shall not be less than one, there is no minimum nor any maximum number of directors.

3. Directors’ general authority

- 3.1 Subject to the other provisions of these Articles, the Directors are responsible for the management of the Company’s business, for which purpose they may exercise all the powers of the Company.

4. Shareholders’ reserve power

- 4.1 The Shareholders may, by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- 4.2 No Special Resolution passed pursuant to Paragraph 4.1 invalidates anything which the Directors have done before the passing of that resolution.

5. Directors may delegate

- 5.1 Subject to the other provisions of these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles:
- (a) to such person or committee;
 - (b) by such means (including by power of attorney);
 - (c) to such an extent;
 - (d) in relation to such matters or territories; and
 - (e) on such terms and/or conditions;
- as they think fit.
- 5.2 If the Directors so specify, any delegation pursuant to Paragraph 5.1 may authorise further delegation of the Directors’ powers by any person to whom they are delegated.
- 5.3 The Directors may at any time revoke any delegation made pursuant to Paragraph 5.1 in whole or part, or alter its terms and/or conditions.

6. Committees of directors

- 6.1 Committees to which the Directors delegate any of their powers must follow procedures which are based (as far as they are applicable) on those provisions of these Articles which govern the taking of decisions by Directors.

- 6.2 The Directors may make rules of procedure for all or any committees, which shall prevail over rules derived from these Articles if they are not consistent with them.

7. Directors to take decisions collectively

- 7.1 The general rule about decision-making by Directors is that any decision of the Directors must be either a Board Meeting Decision or a Directors’ Written Resolution.
- 7.2 If at any time the Company only has one Director, the general rule in Paragraph 7.1 does not apply and that Director may (until such time as such Director ceases to be the only Director) take decisions without regard to any of the provisions of these Articles relating to Directors’ decision-making.

8. Directors’ Written Resolutions

- 8.1 A decision of the Directors is a written decision (**Directors’ Written Resolution**):
- (a) if the matters is put to all Eligible Directors; and
 - (b) all such Eligible Directors on a broadly contemporaneous basis indicate to each other in Writing that they share a common view on a matter; and
 - (c) had the matter in question been proposed as a resolution at a Directors’ meeting, the Eligible Directors would have formed a quorum at that meeting.
- 8.2 A Directors’ Written Resolution 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).

9. Participation in Directors’ meetings

- 9.1 Subject to the other provisions of these Articles, Directors participate (“**Participate**”) in a Directors’ meeting, or part of a Directors’ meeting, when they can each communicate to the others any information or opinions they have on any particular item of the business of that meeting (and for these purposes it is irrelevant where any Director is or how they communicate with each other).
- 9.2 If all the Directors Participating in a Directors’ meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 9.3 Subject to Paragraph 9.4, if a question arises at a Directors’ meeting or a meeting of a committee of Directors as to the right of any Director to vote or count in the quorum at that meeting (or part of that meeting), the question may, before the conclusion of that meeting, be referred to the Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive.
- 9.4 If a question arises at a Directors’ meeting or a meeting of a committee of Directors as to the right of the Chairman to vote or count in the quorum at that meeting (or part of that meeting), that question is to be decided by a decision of the Directors Participating at that meeting (provided that in relation to that question, the Chairman is not entitled to vote or count in the quorum).

10. Chairing of Directors’ meetings

- 10.1 The Directors may appoint a Director to be the Chairman.
- 10.2 The Directors may terminate the Chairman’s appointment at any time.
- 10.3 If the Chairman is not Participating in a Directors’ meeting within 10 minutes of the time at which it was to start, the Participating Directors must appoint one of themselves to chair it.

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11. Chairing General meetings

- 11.1 The Chairman shall chair general meetings if present and willing to do so.
- 11.2 If the Chairman is unwilling to chair the relevant general meeting or is not present within 10 minutes of the time at which the relevant general meeting was due to start the Shareholders present (whether in person, by proxy, or (in the case of a corporation) by a duly authorised representative) must appoint a Director or Shareholder to chair that meeting and that appointment must be the first business of that meeting.

12. Records of decisions to be kept

- 12.1 The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every Directors' Written Resolution and Board Meeting Decision.

13. Directors' discretion to make further rules

- 13.1 Subject to the other provisions of these Articles, the Directors may make any rule they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.

14. Directors' remuneration

- 14.1 Any Director may undertake any services for the Company that the Directors decide.
- 14.2 A Director is entitled to such remuneration as the Directors determine:
- (a) for such Director's services to the Company as a Director; and
 - (b) for any other service which such Director undertakes for the Company.
- 14.3 Subject to the other provisions of these Articles, a Director's remuneration may:
- (a) take any form; and
 - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 14.4 Unless the Directors decide otherwise, each Director's remuneration accrues from day to day.
- 14.5 Unless the Directors decide otherwise, no Director is accountable to the Company for any remuneration which such Director receives as a director, other officer or employee of any other Group Company or of any other company in which the Company is interested.

15. Directors' expenses

- 15.1 The Company may pay any reasonable expenses which any Director properly incurs in connection with such Director's attendance at:
- (a) Directors' meetings or meetings of committees of Directors;
 - (b) general meetings; or
 - (c) separate meetings of the Holders of any class of Shares or of debentures of the Company;
- or otherwise in connection with the exercise of such Director's powers and the discharge of such Director's responsibilities in relation to the Company.

16. Alternate directors

- 16.1 No Director shall be entitled to appoint an alternate Director.

17. Powers to issue different classes of Shares

- 17.1 Subject to the other provisions of these Articles, but without prejudice to the rights attached to any existing Shares, the Company may, subject to the terms of any Relevant Agreement:
- (a) issue Shares with such rights or restrictions as may be determined by Ordinary Resolution; and
 - (b) issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Holder.

18. Company not bound by less than absolute interests

- 18.1 Except as required by law, no person is to be recognised by the Company as holding any Shares on any trust and, except as otherwise required by law or these Articles, the Company is not in any way to be bound by, or obliged to recognise, any interest in any Shares other than the Holder's absolute ownership of them and all the rights attaching to them.

19. Share certificates

- 19.1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder Holds.
- 19.2 Every certificate must specify:
- (a) in respect of how many Shares, of what class, it is issued;
 - (b) the nominal value of those Shares;
 - (c) that the Shares are Fully Paid; and
 - (d) any distinguishing numbers assigned to them.
- 19.3 No certificate may be issued in respect of Shares of more than one class.
- 19.4 If more than one person Holds a Share, only one certificate may be issued in respect of it.
- 19.5 Certificates must:
- (a) have affixed to them the Company's common seal; or
 - (b) be otherwise executed in accordance with the Companies Act.

20. Replacement Share certificates

- 20.1 If a certificate issued in respect of a Shareholder's Shares is:
- (a) damaged or defaced; or
 - (b) said to be lost, stolen or destroyed;
- that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares.
- 20.2 A Shareholder exercising the right to be issued with a replacement certificate pursuant to Paragraph 20.1:
- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
 - (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
 - (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

21. Procedure for declaring dividends

- 21.1 The Company may by Ordinary Resolution declare dividends and the Directors may decide to pay interim dividends.
- 21.2 A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

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21.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

21.4 Unless:

- (a) the Shareholders' resolution to declare, or Directors' decision to pay, a dividend; or
- (b) the terms on which Shares are issued;
- (c) specify otherwise, each dividend must be paid by reference to each Shareholder's Holding of Shares on the date of the resolution or decision to declare or pay it.

21.5 If the Company's share capital is divided into different classes, no interim dividend may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrears.

21.6 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

21.7 If the Directors act in good faith, they do not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

22. Payment of dividends and other distributions

22.1 Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be paid by one or more of the following means:

- (a) transfer to a bank or building society account specified by the relevant Distribution Recipient either in Writing or as the Directors may otherwise decide;
- (b) sending a cheque made payable to the relevant Distribution Recipient by post at the relevant Distribution Recipient's registered address (if the relevant Distribution Recipient is a Holder of the Share), or (in any other case) to an address specified by the relevant Distribution Recipient either in Writing or as the Directors may otherwise decide;
- (c) sending a cheque made payable to such person by post to such person at such address as the relevant Distribution Recipient has specified either in Writing or as the Directors may otherwise decide; or
- (d) any other means of payment as the Directors agree with the relevant Distribution Recipient either in Writing or by such other means as the Directors decide.

23. No interest on distributions

23.1 The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by:

- (a) the terms on which that Share was issued; or
- (b) the provisions of another agreement between the Holder of that Share and the Company.

24. Unclaimed distributions

24.1 All dividends or other sums which are:

- (a) payable in respect of Shares; and
 - (b) unclaimed after having been declared or become payable;
- may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed.

24.2 The payment of any unclaimed dividend or other sum into a separate account does not make the Company a trustee in respect of it.

24.3 If:

- (a) 12 years have passed from the date on which a dividend or other sum became due for payment; and
 - (b) the relevant Distribution Recipient has not claimed it;
- that Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company.

25. Non-cash distributions

25.1 Subject to the terms of issue of the Share in question, the Company may, by Ordinary Resolution on the recommendation of the Directors, decide to pay all or part of a dividend or other distribution payable in respect of that Share by transferring non-cash assets of equivalent value (including Shares or other securities in any company).

25.2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

26. Waiver of distributions

26.1 Any Distribution Recipient may waive such Distribution Recipient entitlement to a dividend or other distribution payable in respect of any Share by giving the Company notice in Writing to that effect, but if:

- (a) that Share has more than one Holder; or
- (b) more than one person is entitled to that Share (whether by reason of the death or bankruptcy of one or more joint Holders or otherwise);

the notice is not effective unless it is expressed to be given and signed, by all the Holders or persons otherwise entitled to that Share.

27. Authority to capitalise and appropriation of capitalised sums

27.1 Subject to the other provisions of these Articles, the Directors may, if they are so authorised by an Ordinary Resolution:

- (a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve; and
- (b) appropriate any sum which they decide to capitalise in accordance with Paragraph 27.1(a) (a "Capitalised Sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "Persons Entitled") and in the same proportions.

27.2 Capitalised Sums must be applied:

- (a) on behalf of the Persons Entitled; and
- (b) in the same proportions as a dividend would have been distributed to them.

27.3 Any Capitalised Sum may be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as Fully Paid to the Persons Entitled.

27.4 A Capitalised Sum which was appropriated from profits available for distribution may be applied in paying up new debentures of

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the Company which are then allotted credited as Fully Paid to the Persons Entitled.

27.5 Subject to the other provisions of these Articles, the Directors may:

- (a) apply Capitalised Sums in accordance with Paragraphs 27.3 and 27.4 partly in one way and partly in another;
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Paragraph 27 (including the issuing of fractional certificates or the making of cash payments); and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Paragraph 27.

28. Attendance and speaking at general meetings

- 28.1 A person is able to exercise the right to speak at a general meeting when such person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which such person has on the business of the meeting.
- 28.2 A person is able to exercise the right to vote at a general meeting when:
 - (a) he is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - (b) his vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 28.3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 28.4 In determining attendance at a general meeting, it is immaterial whether any two or more persons attending it are in the same place as each other.
- 28.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

29. Attendance and speaking by Directors and non-Shareholders at general meetings

- 29.1 Directors may attend and speak at general meetings whether or not they are Shareholders.
- 29.2 The Chairman of the General Meeting may permit other persons who are not:
 - (a) Shareholders; or
 - (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings;to attend and speak at any general meeting.

30. Errors and disputes

- 30.1 No objection may be raised to the qualification of any person voting at a general meeting except at that meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at that meeting is valid.
- 30.2 Any objection pursuant to Paragraph 30.1 must be referred to the Chairman of the General Meeting, whose decision is final.

31. Content of Proxy Notices

- 31.1 Proxies may only validly be appointed by a notice in Writing (a "Proxy Notice") which:

- (a) states the name and address of the Shareholder appointing the proxy;
- (b) identifies the person appointed to be the proxy and the general meeting in relation to which the proxy is appointed;
- (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and
- (d) is delivered to the Company in accordance with these Articles and any instructions contained in the notice of the general meeting to which the Proxy Notice relates.

31.2 The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes.

31.3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

31.4 Unless a Proxy Notice indicates otherwise, it must be treated as:

- (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the relevant general meeting; and
- (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as that general meeting itself.

32. Delivery of Proxy Notices

- 32.1 Any notice of a general meeting must specify the address or addresses (the "Proxy Notification Address") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or Electronic Form.
- 32.2 Subject to Paragraphs 32.3 and 32.4, a Proxy Notice must be delivered to the Proxy Notification Address not less than 24 hours before the general meeting or adjourned meeting to which it relates.
- 32.3 In the case of a poll taken more than 48 hours after it is demanded, a Proxy Notice must be delivered to the Proxy Notification Address not less than 24 hours before the time appointed for the taking of the poll.
- 32.4 In the case of a poll not taken during the meeting but taken not more than 48 hours after it was demanded, the Proxy Notice must be delivered:
 - (a) in accordance with Paragraph 32.2; or
 - (b) at the meeting at which the poll was demanded to the Chairman, company secretary or any Director.
- 32.5 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.
- 32.6 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom, or on whose behalf, the Proxy Notice was given to the Proxy Notification Address.
- 32.7 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the general meeting or adjourned general meeting to which it relates.
- 32.8 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in Writing of the authority of the person who executed it to execute it on the person appointing the proxy's behalf.

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33. Amendments to resolutions

- 33.1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- (a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before that meeting is to take place (or such later time as the Chairman of the General Meeting may determine); and
 - (b) the proposed amendment does not, in the reasonable opinion of the Chairman of the General Meeting, materially alter the scope of the resolution.
- 33.2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:
- (a) the Chairman of the General Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - (b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 33.3 If the Chairman of the General Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, Chairman of the General Meeting's error does not invalidate the vote on that resolution.

34. Means of communication to be used

- 34.1 Subject to the other provisions of these Articles:
- (a) anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of the Companies Act to be sent or supplied by or to the Company;
 - (b) and the provisions of the Companies Act, the Company may make any documents or information authorised or required by any provision of these Articles or the Companies Act to be sent or supplied by the Company to any Shareholder available on a website; and
 - (c) any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 34.2 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent and for the specified time to be less than 48 hours.
- 34.3 Section 1147(5) of the Companies Act shall not apply in relation to documents and information sent or supplied by the Company.

35. Company seals

- 35.1 Any common seal may only be used by the authority of the Directors.
- 35.2 The Directors may decide by what means and in what form any common seal is to be used.
- 35.3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by at least one Authorised Person in the presence of a witness who attests the signature.

36. No right to inspect accounts and other records

- 36.1 Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

37. Directors' Indemnity

- 37.1 Subject to Paragraph 37.2, a Relevant Director may be indemnified out of the Company's assets against:
- (a) any liability incurred by such Relevant Director in connection with any negligence, default, breach of duty or breach of trust in relation to any Group Company;
 - (b) any liability incurred by such Relevant Director in connection with the activities of any Group Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Companies Act);
 - (c) any other liability incurred by such Relevant Director as an officer of any Group Company.
- 37.2 Paragraph 37.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

38. Directors' Insurance

- 38.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss.