

No 05635505

216034501_5

**THE COMPANIES ACTS 1985 AND 1989
AND 2006**

PUBLIC COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF
GARBOL PLC**

Adopted by special resolution dated 19 APRIL

2016



MILLS & REEVE

1 Preliminary

The Regulations contained in Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and the Companies Act 1985 (Electronic Communications) Order 2000 (such Table being hereinafter referred to as "Table A") shall apply to the Company save in so far as they are excluded or varied hereby and in addition to the remaining Clauses of Table A, as varied hereby, the following shall be the Articles of Association of the Company

2 Public Company

The Company is a public company within the meaning of section 4(2) of the Companies Act 2006

3 Definitions and interpretation

3 1 In the first line of regulation 1, after the word "regulations" the words "and in any articles adopting in whole or in part the same" shall be inserted

3 2 In these Articles, unless the context requires otherwise the following expressions have the following meanings

"**A' Director**" means any director appointed and holding office from time to time pursuant to Article 21 1,

"**the Act**" means the Companies Act 2006, but excluding any statutory modification thereof not in force on the date of adoption of these Articles,

"**Additional Director**" means any director appointed and holding office from time to time pursuant to Article 21 5,

"**A' Shares**" means the "A" Shares of £1 each in the share capital of the Company from time to time,

"**B' Director**" means any director appointed and holding office from time to time pursuant to Article 21 3,

"**B' Shares**" means the "B" Shares of £1 each in the share capital of the Company from time to time,

"**C' Shares**" means the "C" Shares of £1 each in the share capital of the Company from time to time,

"**C' Director**" means any director appointed and holding office from time to time pursuant to Article 21 4,

"Deemed Transfer Notice" means a Transfer Notice deemed to be given under any provision of these Articles or any Relevant Agreement,

"Non-Voting Shares" means the non-voting ordinary shares of £1 each in the share capital of the Company from time to time,

"Ordinary Shares" means the "A" Shares, the "B" Shares and the "C" Shares together,

"paid up" means, in relation to a share, paid up or credited as paid up,

"Relevant Agreement" means any agreement relating (in whole or in part) to the management and/or affairs of the Company which is binding from time to time on the Company and the members and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles,

"Representatives" means, in relation to a member, any person or persons who have become entitled to his shares in consequence of his death, bankruptcy or mental incapacity,

"share" means a share in the capital of the Company of whatever class,

"Transfer Notice" means a notice given by a member proposing to transfer all or part of its holding of shares (as the case may be) and includes, where the context admits, a Deemed Transfer Notice, and

"Warehouse Shares" means all shares issue from time to time to Garbol Warehousing Limited a company registered in England under 5730308

- 3 3 Words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles,
- 3 4 Words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate, and (in each case) vice versa,
- 3 5 References to "Articles" are references to these Articles and references to paragraphs and sub-paragraphs are, unless otherwise stated, references to paragraphs of the regulations and reference to "regulations" are references to the regulations contained in Table A, and
- 3 6 In relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other

than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

4 Limited Liability

- 4 1 The liability of the members of the Company is limited to the amount, if any, unpaid on the shares in the Company held by them

5 Share Capital

- 5 1 The "A" Shares, the "B" Shares and the "C" Shares shall be separate classes of shares and shall carry the respective voting rights and rights to appoint and remove directors and be subject to the restrictions on transfer hereinafter provided, but in all other respects shall rank *pari passu*
- 5 2 Unless all the members otherwise agree in writing, any new ordinary shares issued to a holder of "A" Shares shall be "A" Shares, any new ordinary shares issued to a holder of "B" Shares shall be "B" Shares and any new ordinary shares issued to a holder of "C" Shares shall be "C" Shares, including any new shares issued pursuant to regulation 110
- 5 3 The Non-Voting Shares shall be a separate class of shares and shall have no voting rights whatsoever (save in respect of the alteration of rights attaching to the Non-Voting Shares) nor any rights in respect of the appointment or removal of directors, but in all other respects shall rank *pari passu* with the Ordinary Shares save as expressly set out in these Articles

6 Issue of New Shares and Alteration of Capital

- 6 1 Unless otherwise determined by special resolution of the Company in a general meeting and subject as provided in Articles 6 3 and 6 4, any unissued shares in the capital of the Company from time to time shall before they are issued be offered to all the holders of Ordinary Shares in the Company in proportion to the nominal value of the Ordinary Shares held by them respectively (and such offer shall be at the same price and on the same terms to each such holder) Such offer shall be made by notice specifying the number and class of shares offered, the proportionate entitlement of the relevant member, the price per share and limiting a period (not being less than 30 days) within which the offer, if not accepted, will be deemed to be declined and after the expiration of such period the directors shall offer the shares so declined to the persons who have, within the said period, accepted all the shares offered to them in the same manner as the original offer and limited by a period of not less than 14 days If any shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such shares At the expiration of the time limited by the notice(s) the directors shall allot the shares so offered to or amongst the holders of Ordinary Shares who have notified their willingness to take all or any of such shares in accordance with the terms of the

offer No member shall be obliged to take more than the maximum number of shares he has indicated his willingness to take Section 561 and section 562 of the Act shall not apply to the Company

- 6 2 Any shares not accepted pursuant to Article 6 1 or not capable of being so offered except by way of fractions and any shares released from the provisions of this Article 6 by special resolution shall, subject to the provisions of section 549, 550 and 551 of the Act, be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that no shares shall be issued at a discount and provided further that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the members
- 6 3 The discretion of the directors contained in Article 6 2 as to the allotment and disposal of and the granting of any option over the Company's shares shall in any event be subject to the provisions of any agreement relating thereto binding on the Company from time to time and any directions contained in any resolution creating such shares
- 6 4 Save with the prior written consent of the holders of a majority of the "A" Shares, the holders of a majority of the "B" Shares and the holders of a majority of the "C" Shares, no shares shall be allotted on terms that the right to take up the shares allotted may be renounced in favour of, or assigned to, another person and no person entitled to the allotment of a share may direct that such share be allotted or issued to any other person
- 6 5 Regulation 4 shall be amended by the addition after the words "or by the allotment of fully or partly paid shares" of the words "provided that at least one quarter of the nominal value and the whole of any premium has been paid up on such allotment"
- 6 6 Regulation 34 shall be amended by the addition after the words "may by special resolution reduce its share capital" of the words "by making an application to court for a reduction of share capital"
- 6 7 Regulation 35 shall not apply

7 Lien

- 7 1 The lien conferred by regulation 8 shall attach also to fully paid up shares and the Company shall also have a first and paramount lien on all shares, whether fully paid up or not, standing registered in the name of any person indebted or under liability to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders for all monies presently payable by him or his estate to the Company Furthermore, such lien shall extend to all amounts payable in respect of a share The directors may resolve to exclude any share or any amount payable in

respect of a share from the application of this Article 7 Regulation 8 shall be modified accordingly

8 Calls

- 8 1 The liability of any member in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 of the words "and all expenses that may have been incurred by the Company by reason of non-payment of the call"

9 Transfer of Shares

- 9 1 No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any share (save as may be required in pursuance of his obligations under these Articles or any Relevant Agreement) or create or permit to exist any charge, lien, encumbrance or trust over any share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Articles 9 7 and 12)

9 1 1 as permitted by Article 10,

9 1 2 as permitted by a Relevant Agreement

- 9 2 If a member at any time commits a breach of Article 9 1 in relation to any share he shall be deemed immediately prior to such breach to have given a Transfer Notice in respect of such share and must comply with the provisions of Article 11

- 9 3 For the purpose of ensuring that a particular transfer of shares is permitted under these Articles, any member may require the transferor or the person named as transferee in any transfer lodged for registration to furnish him and the directors with such information and evidence as such member may think reasonably necessary or relevant Failing such information or evidence being furnished to the reasonable satisfaction of such member within a period of 28 days after such request, the directors shall, unless such member otherwise directs, refuse to register the transfer in question

- 9 4 Where a Transfer Notice in respect of any share is deemed to have been given under any provision of these Articles or under any Relevant Agreement and the circumstances are such that the directors (as a whole) are unaware of the facts giving rise to the same, such Transfer Notice shall be deemed to have been received by the directors on the date on which the directors (as a whole) actually become aware of such facts and the provisions of Article 11 shall apply accordingly

- 9 5 A Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition (as defined in Article 11) and shall not be revocable

- 9 6 The directors shall not refuse to register any transfer of a share which is permitted under these Articles but may, in their absolute discretion and without assigning any

reason therefor, decline to register any transfer of any share which would otherwise be permitted hereunder if it is a transfer

9 6 1 of a share on which the Company has a lien,

9 6 2 of a share (not being a fully paid share) to a person of whom they do not approve, and shall in any event refuse to register the transfer of a share which is prohibited by any Relevant Agreement

The first sentence of regulation 24 shall not apply

9 7 If a member or any of his Representatives becomes aware of any event which is deemed to give rise to an obligation to serve a Transfer Notice, he shall forthwith give written notice thereof to the directors

9 8 The election by the Representatives of a member to become the registered holder of any share pursuant to regulation 30 shall be permitted by the directors and shall not give rise to any obligation to serve a Transfer Notice in respect of such share Regulation 30 shall be modified accordingly

10 Permitted Transfers

10 1 For the purposes of this Article 10

10 1 1 "**privileged relation**" in relation to a member means the spouse (or widow or widower) of the member and the member's lineal descendants and, for the purposes aforesaid, a step-child or adopted child or illegitimate child of any member shall be deemed to be a lineal descendant of such member,

10 1 2 "**family trust**" means, in relation to a member being an individual or a deceased member, a trust (whether arising under a settlement, declaration of trust, testamentary disposition or on an intestacy) which does not permit any of the settled property or the income therefrom to be applied otherwise than for the benefit of (i) that member and/or a privileged relation of that member, 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 therefrom 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 no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees or such member or his privileged relations, and

10 1 3 "**settlor**" includes a testator or an intestate in relation to a family trust arising respectively under a testamentary disposition or an intestacy of a deceased member

10 2 A member being an individual (not being in relation to the shares in question a holder thereof as a trustee of a family trust) may at any time transfer all or any of the shares held by him

10 2 1 to a privileged relation, or

10 2 2 to trustees to be held upon a family trust of such member

10 3 Where shares are held by trustees upon a family trust

10 3 1 such shares may on any change of trustees be transferred to the new trustees of that family trust,

10 3 2 such shares may at any time be transferred to any person to whom under Article 10 2 the same could have been transferred by the settlor if he had remained the holder thereof, and

10 3 3 if and whenever any such shares cease to be held upon a family trust (otherwise than in consequence of a transfer authorised by Article 10 3 2) or there cease to be any beneficiaries of that family trust other than a charity or charities, the trustees shall be deemed immediately to have given a transfer notice in respect of all their relevant shares, and

10 3 4 for the purposes of this Article 10 3, the expression "**relevant shares**" means and includes (so far as the same remain from time to time held by the trustees) the shares originally transferred to the trustees and any additional shares issued or transferred to the trustees by virtue of the holding of the relevant shares or any of them

10 4 A member may at any time transfer all or any of his shares

10 4 1 in the case of a member being a nominee, to the person who is the beneficial owner or to a person to whom the beneficial owner, if he were registered as the holder, would have been entitled to transfer his shares in accordance with this Article 10, provided that the provisions of this Article 10 4 1 shall not apply in circumstances where the beneficial ownership of the share in question became vested in the beneficial owner in contravention of any of the provisions of these Articles or any Relevant Agreement, or

10 4 2 in the case of the Warehouse Shares or any part of them to any person or persons, or

10 4 3 to any person with the prior written consent of all the other members

10 5 The Representatives of a member may at any time transfer all or any of the shares to which they are entitled to any person to whom the registered holder would be permitted to transfer the same under these Articles

- 10 6 If the Representatives of a member are permitted under these Articles to become registered as the holders of any of such member's shares and elect so to do, such shares may at any time be transferred by those Representatives to any person to whom under this Article 10 the same could have been transferred by such member if he had remained the holder thereof, but no other transfer of such shares by the Representatives shall be permitted under this Article 10
- 10 7 Unless all the members otherwise consent in writing, no transfer of any share permitted by this Article 10 shall be made during the active period of any Transfer Notice or Deemed Transfer Notice in respect of such share (and for this purpose "**active period**" in respect of a given notice means the period from the time of its service until the time when no member has any further rights or obligations, directly or indirectly, pursuant to that notice)

11 Pre-emption Rights

11 1

- 11 1 1 Except for a transfer of shares which is permitted under these Articles as mentioned in Article 9 1, no share shall be transferred until the following conditions of this Article 11 are complied with Notwithstanding the preceding sentence, the following pre-emption provisions also apply in any case where these Articles or any Relevant Agreement specify that a Transfer Notice must be served or that a Deemed Transfer Notice has been served
- 11 1 2 Any member proposing to transfer a share ("**the Proposing Transferor**") shall give a Transfer Notice in writing to the directors that the Proposing Transferor desires to transfer such share In the Transfer Notice, the Proposing Transferor shall specify
- (i) the number and class of shares which the Proposing Transferor wishes to transfer ("**the Transfer Shares**") (which may be all or part only of the shares then held by the Proposing Transferor), and
 - (ii) the price at which the Proposing Transferor wishes to sell the Transfer Shares and the identity of any person who has indicated a willingness to purchase the Transfer Shares
- 11 1 3 A Transfer Notice shall also state whether the Proposing Transferor wishes to impose a "**Total Transfer Condition**" (meaning a condition that unless all of the Transfer Shares are sold pursuant to the following provisions of this Article 11, none shall be so sold), but in the absence of such a statement, the Transfer Notice shall be deemed not to contain a Total Transfer Condition Any two or more members shall be entitled to serve a joint Transfer Notice (meaning a notice signed by each of them specifying the shares which they wish together to transfer) containing a

Total Transfer Condition and such notice shall for all the purposes of this Article 11 take effect as if it were a single Transfer Notice and the Total Transfer Condition related to all the shares the subject of the joint Transfer Notice, but the obligations of those members thereunder or in respect thereof shall be several only in proportion to the number of Transfer Shares which they hold respectively

11 1 4 The Transfer Notice shall constitute the Company (by its board of directors) as the agent of the Proposing Transferor empowered to sell the Transfer Shares (together with all rights attaching thereto at the date of the Transfer Notice or at any time thereafter) at the Transfer Price (as hereinafter defined) on the terms of this Article 11 Save as expressly provided otherwise in these Articles or in any Relevant Agreement, a Transfer Notice shall be revocable at any time until the expiration of the Withdrawal Period (as defined therein) If a Proposing Transferor 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 any Relevant Agreement

11 2 Where a Transfer Notice is given in respect of more than one class of share, it shall be deemed for the purposes of this Article 11 to comprise a number of separate Transfer Notices, one in respect of each such class However, where the Proposing Transferor simultaneously serves Transfer Notices in respect of more than one class of shares, he may stipulate in such notices by reference to Article 11 2 that any Total Transfer Condition shall apply to all of such shares and not merely to one class only

11 3 Within seven days after the receipt of any Transfer Notice, the directors shall serve a copy of that Transfer Notice on all the members other than the Proposing Transferor In the case of a Deemed Transfer Notice, the directors shall similarly serve notice on all the members (including the Proposing Transferor), notifying them that the same has been deemed to have been given, within 2 months after (i) the date of the event giving rise to the Deemed Transfer Notice, or (ii) (if later) the date on which the directors (as a whole) actually became aware of such event

11 4 Subject as provided otherwise in these Articles or in any Relevant Agreement, the Transfer Shares shall be offered for purchase (as hereinafter provided) at a price per Transfer Share ("**the Transfer Price**") determined in accordance with Article 11 5

11 5

11 5 1 In the case of a Transfer Notice, the Transfer Price shall be the price specified by the Proposing Transferor in the Transfer Notice

11 5 2 In the case of a Deemed Transfer Notice, the Transfer Price shall be such price as shall be agreed in writing between the Proposing Transferor and the directors (other than the Proposing Transferor, if he be a director) or in the absence of such agreement (whether by reason of disagreement,

absence, death or otherwise) within 21 days after the service of notices pursuant to Article 11 3, the Transfer Price will be determined by an independent chartered accountant of not less than ten years' standing ("**the Expert**"), who shall be nominated by agreement between all the members or, failing such nomination, within 14 days after the request of any member to the others therefor nominated at the request of any member by the President from time to time of the Institute of Chartered Accountants in England and Wales, save that where the Deemed Transfer Notice is in respect of Non-Voting Shares only the Transfer Price shall be the nominal par value of such shares. The Expert shall act as an expert and not as an arbitrator and his written determination shall be final and binding on the members.

The Expert will certify the open market value of the Transfer Shares as at the date of the Transfer Notice on the following assumptions and bases:

- (i) valuing the Transfer Shares as on an arm's length sale between a willing vendor and a willing purchaser,
- (ii) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- (iii) that the Transfer Shares are capable of being transferred without restriction, and
- (iv) valuing the Transfer Shares as a rateable proportion of the total market value of all the issued shares of the Company without any premium or discount being attributable to the class of the Transfer Shares or the percentage of the issued share capital of the Company which they represent.

If any difficulty shall arise in applying any of the foregoing assumptions or bases, such difficulty shall be resolved by the Expert in such manner as he shall in his absolute discretion think fit.

The Transfer Price shall be a sum equal to the open market value of the Transfer Shares determined as aforesaid, divided by the number of Transfer Shares. The Company will use its best endeavours to procure that the Expert determines the Transfer Price within 21 days of being requested so to do.

- 11 6 If the determination of the Transfer Price is referred to the Expert, the date of determination of the Transfer Price ("**the Determination Date**") shall be the date on which the directors receive the Expert's determination of the Transfer Price in writing. If the Transfer Price is determined by written agreement between the Proposing Transferor and the directors as aforesaid, the Determination Date shall be the date on which such agreement is made.

11 7 The costs and expenses of the Expert in determining the Transfer Price and of his appointment shall be borne as to one half by the Proposing Transferor and as to the other half by the purchasers (as hereinafter defined) pro rata according to the number of Transfer Shares purchased by them unless none of the Transfer Shares are purchased pursuant to Articles 11 8, 11 9 or 11 11, in any of which events the Proposing Transferor shall pay all of such costs and expenses

11 8 Within 7 days after the Determination Date the Transfer Shares shall be offered for purchase at the Transfer Price by the directors to those members who at the date of the offer are registered as the respective holders of shares of the same class as the Transfer Shares (other than (a) the Proposing Transferor and (b) any member to whom under Article 12 shares may not be transferred) in proportion to the number of shares of that class then held by them respectively Every such offer shall be made in writing and shall specify (a) the total number of Transfer Shares, (b) the number of Transfer Shares offered to the member ("**Pro Rata Entitlement**"), (c) whether or not the Transfer Notice contained a Total Transfer Condition, and (d) a period (being not less than 14 days and not more than 21 days) within which the offer must be accepted or shall lapse, and shall be accompanied by a form of application for use by the member in applying for his Pro Rata Entitlement and for any shares in excess of such entitlement which he wishes to purchase

Upon the expiry of the said offer period, the directors shall allocate the Transfer Shares in the following manner

11 8 1 to each member who has agreed to purchase shares, his Pro Rata Entitlement or such lesser number of Transfer Shares for which he may have applied,

11 8 2 if any member has applied for less than his Pro Rata Entitlement, the excess shall be allocated to the members who have applied for any part of such excess in proportion to the number of shares of the class then held by them respectively (but without allocating to any member a greater number of Transfer Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this Article 11 8 2 without taking account of any member whose application has already been satisfied in full

11 9 If and to the extent that the Transfer Shares are not accepted by a member or members holding shares of the same class as the Transfer Shares within the time limited for acceptance or if there are no other holders of shares of that class, the directors shall (in the former case) within 7 days after the expiration of such time as aforesaid (and in the latter case immediately), offer the Transfer Shares or so many thereof as have not been accepted as aforesaid (as the case may be) to members holding shares of the other class or classes (other than any member to whom under Article 12 shares may not be transferred) and the provisions of Article 11 8 shall apply mutatis mutandis to such offer (save that, in the case of competition, the

Transfer Shares shall be sold to the acceptors in proportion to the aggregate nominal value of the shares then held by each of them respectively)

- 11 10 If any of the Transfer Shares shall not be capable of being offered or allocated as aforesaid without involving fractions, the same shall be offered to or allocated amongst the 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

11 11

- 11 11 1 If by the foregoing procedure the directors shall not receive acceptances from members in respect of all of the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to all the members, whereupon the holders of at least three-quarters in nominal value of the issued shares of the Company (excluding the shares held by the Proposing Transferor) shall be entitled within 14 days of the date of service of that notice to nominate (by giving notice in writing to the directors signed by each such holder or on his behalf and which may consist of several notices in the like form) any person or persons (whether or not a member) who has expressed his willingness in writing to purchase all or any of those Transfer Shares in respect of which acceptances have not been received at the Transfer Price as the purchaser(s) of such Transfer Shares (and the directors shall be deemed to have made an offer of such shares accordingly), provided that if any such nominated purchaser shall fail to complete any such purchase in accordance with this Article 11 or to perform or discharge any of his other obligations hereunder, the members (other than those who did not sign the aforesaid notice(s)) shall be jointly and severally liable to complete such purchase in place of that nominated purchaser and to perform and discharge all such other obligations

- 11 11 2 If the Transfer Notice in question contained a Total Transfer Condition, no offer of Transfer Shares made by the directors pursuant to this Article 11 shall be capable of acceptance until all of the Transfer Shares shall have been accepted by the members (or any of them) or any person or persons nominated pursuant to Article 11 1 If by the foregoing procedure the directors shall not receive acceptances in respect of all the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to the Proposing Transferor and none of the Transfer Shares will be sold to the members or any person or persons nominated as aforesaid (except as mentioned below) pursuant to this Article 11 The Proposing Transferor may within a period of 3 months after the date of the directors' said notice sell all (but not some only) of the Transfer Shares to any person or persons (other than any member) at any price which is not less than the Transfer Price (after deducting, where

appropriate, any net dividend or other distribution to be retained by the Proposing Transferor)

- 11 12 If, by the foregoing procedure, the directors shall receive acceptances in respect of all of the Transfer Shares, the directors shall forthwith give notice in writing as hereinafter mentioned to the Proposing Transferor and to the member or members who have agreed to purchase the same (or to the person or persons nominated pursuant to Article 11 1) ("**purchaser**" or "**purchasers**") and the Proposing Transferor shall thereupon become bound upon payment of the Transfer Price to the Proposing Transferor (whose receipt shall be a good discharge to the purchaser, the Company and the directors therefor, none of whom shall be bound to see to the application thereof) to transfer to each purchaser those Transfer Shares accepted by him Every such notice shall state the name and address of each purchaser, the number of Transfer Shares agreed to be purchased by him and the place and time appointed by the directors for the completion of the purchase (being not less than 7 days nor more than 28 days after the date of the said notice and not being at a place outside England) Subject to the giving of such notice, the purchase shall be completed at the time and place appointed by the directors
- 11 13 If the Transfer Notice in question did not contain a Total Transfer Condition and if by the foregoing procedure the directors shall receive acceptances in respect of none or part only of the Transfer Shares within the period(s) of the aforesaid offer(s), they shall forthwith give notice in writing of that fact to the Proposing Transferor, and the Proposing Transferor
- 11 13 1 shall thereupon become bound upon payment of the Transfer Price to transfer to each purchaser (if any) those Transfer Shares accepted by him and the provisions of Article 11 12 shall apply mutatis mutandis thereto, and
- 11 13 2 may within a period of 3 months after the date of the directors' said notice sell all or any of those Transfer Shares which have not been accepted as aforesaid to any person or persons (other than any member) at any price which is not less than the Transfer Price (after deducting, where appropriate, the amount of any net dividend or other distribution to be retained by the Proposing Transferor)
- 11 14 If a Proposing Transferor, having become bound to transfer any Transfer Shares pursuant to this Article 11, makes default in transferring the same, the directors may authorise some person (who is (as security for the performance of the Proposing Transferor's obligations) hereby irrevocably and unconditionally appointed as the agent of the Proposing Transferor for the purpose) to execute the necessary instrument of transfer of such Transfer Shares and may deliver it on his behalf and the Company may receive the purchase money and shall thereupon (subject to such instrument being duly stamped with any necessary stamp duty) cause the transferee to be registered as the holder of such Transfer Shares and shall hold such purchase money on behalf of the Proposing Transferor The Company shall not be bound to

earn or pay interest on any money so held and shall not pay such money to the Proposing Transferor until he shall have delivered his share certificates (or an appropriate indemnity in respect of any lost certificates) to the Company. The receipt of the Company for such purchase money shall be a good discharge to the transferee, who shall not be bound to see to the application thereof, and after the name of the transferee has been entered in the register of members in purported exercise of the aforesaid power the validity of the proceedings shall not be questioned by any person.

11 15 Without prejudice to the generality of Article 9 3, the directors may require to be satisfied that any shares being transferred by the Proposing Transferor pursuant to either Articles 11 11 2 or 11 13 2 are being transferred in pursuance of a bona fide sale for the consideration stated in the transfer and if not so satisfied, may refuse to register the instrument of transfer.

11 16

11 16 1 In this Article 11 16 1 a "**Relevant Event**" means

- (i) in relation to a member being an individual
 - (A) such member being adjudicated bankrupt, or
 - (B) such member dying, or
 - (C) the happening of any such event as is referred to in paragraph (c) of regulation 81, or
 - (D) such member ceasing to be connected with the Company (otherwise than by reason of death or unfair or wrongful dismissal), and for these purposes an individual shall be treated as connected with the Company if but only if and so long as he is a director or employee of the Company or of any subsidiary of the Company
- (ii) a member making any voluntary arrangement or composition with his creditors,
- (iii) in relation to a member being a body corporate
 - (A) a receiver, manager, administrative receiver or administrator being appointed to such member or over all or any part of its undertaking or assets, or
 - (B) such member entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction), or

- (C) such member ceasing to be controlled ("control" being defined in section 1124 of The Corporation Tax Act 2010) by the person(s) who controlled such member on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later)

11 16 2 Upon the happening of any Relevant Event, the member in question shall be deemed to have immediately given a Deemed Transfer Notice in respect of all the shares as shall then be registered in the name of such member and the provisions of Article 11 as regards Deemed Transfer Notices shall apply

11 16 3 If an individual, being a person who has transferred shares pursuant to Article 10 2, dies or is adjudicated bankrupt or ceases to be connected with the Company (as defined in Article 11 16 1(i)(D)), the directors shall be entitled (but not obliged) to resolve that any member who has acquired shares from that person pursuant to Article 10 2 or 10 3 (whether directly or by a series of transfers) shall be deemed to have given a Transfer Notice in respect of all the shares as shall then be registered in the name of such member. Any such resolution, to be effective for the purpose, must be passed within 3 months after (i) the date of the event in question, or (ii) (if later) the date on which the directors (as a whole) actually become aware of such event, but for the purposes of Article 11 3, the directors shall serve the notice therein specified within 7 days of the passing of their resolution

11 16 4 if the Relevant Event shall be the death or bankruptcy of a member, or the directors resolve that a Transfer Notice shall be deemed to be served pursuant to Article 11 16 3 by reason of the death or bankruptcy of a person, and if any of the shares which are offered pursuant to the Deemed Transfer Notice shall not be sold to the members or any person or persons nominated pursuant to Article 11 1 ("the Unsold Shares"), after the expiration of the period during which the Unsold Shares might have been purchased by a member or members or person or persons nominated as aforesaid pursuant thereto, the Representatives of the member in question shall be entitled to elect at any time before the shares are disposed of by them to be registered themselves as the holders of the Unsold Shares (but so that such election shall not give rise to any obligation to serve a Transfer Notice in respect of the Unsold Shares)

11 17 An obligation to transfer a share under the provisions of this Article 11 shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such share free from any lien, charge or other encumbrance

11 18 If, under any of the provisions of this Article 11, any members become jointly and severally liable to complete the purchase of any Transfer Shares in place of any

nominated purchaser, as between such members each of them shall purchase such number thereof as shall bear to the total number of Transfer Shares in question the same proportion as the number of shares held by such member at the date of the relevant nomination bore to the total number of shares then held by all such members

12 Prohibited Transfer

- 12 1 Notwithstanding anything else contained in these Articles, no share shall be issued or transferred to any infant or bankrupt

13 Drag Along

- 13 1 In this clause a "Qualifying Offer" shall mean a bona fide offer in writing by or on be of any person (the "**Offeror**") to the holders of the entire issued share capital in the Company to acquire all their shares
- 13 2 If the holders of not less than 50 per cent, in nominal value of the Ordinary Shares then in issue (the "**Accepting Shareholders**") wish to accept the Qualifying Offer, then the provisions of this clause shall apply
- 13 3 Accepting Shareholders shall give written notice to the remaining holders of the share capital of the Company (the "**Other Shareholders**") of their wish to accept the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholder
- 13 4 If any Other Shareholder shall not, within 21 days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary transfer(s) and indemnities on the Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such transfer(s) and certificate(s) or indemnities to the Offeror (or his nominee) and register such Offeror (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person
- 13 5 Upon any person, following the issue of a notice pursuant to Article 13 3 becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (the "**New Member**"), a notice shall be deemed to have been served upon the New Member on the same terms as the previous notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Offeror or as the Offeror may direct and the provisions of this Article 13 shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the notice being deemed served on the New Member

14 Tag Along

- 14 1 If at any time one or more members (the "**Proposed Sellers**") propose to sell, in one or a series of related transactions, a majority in nominal value of the Ordinary Shares (a "**Majority Holding**") to any person (not being an Offeror for the purposes of Article 13 1 the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this Article 14
- 14 2 The Proposed Sellers shall give written notice (a "**Proposed Sale Notice**") to the other holders of the share capital in the Company (the "**Minority Holders**") of such intended sale at least 21 days prior to the date thereof The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the purchase price and other terms and conditions of payment, the proposed date of sale (the "**Proposed Sale Date**") and the number of shares proposed to be purchased by the Proposed Buyer (the "**Proposed Sale Shares**")
- 14 3 Any of the Minority Holders shall be entitled, by written notice given to the Proposed Sellers within 14 days of receipt of the Proposed Sale Notice, to oblige the Proposed Sellers to procure that the Proposed Buyer shall purchase all of the shares in the capital of the Company held by the relevant Minority Holder on the same terms and conditions as those set out in the Proposed Sale Notice
- 14 4 If any Minority Holder is not given the rights accorded him by the provisions of this Article 14 and/or the Proposed Buyer has not made a binding written offer to purchase the entire legal and beneficial interest in the shares in the Company owned by the Minority Holder at the same price per share and on the same terms as those made to the Proposed Sellers, the Proposed Sellers shall be required not to complete their sale and the Company shall be bound to refuse to register any transfer intended to carry such a sale into effect

15 Proceedings at General Meetings

- 15 1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business Three members present in person or by proxy shall be a quorum, comprising at least one holder of any of the "A" Shares, one holder of any of the "B" Shares and one holder of any of the "C" Shares Regulation 40 shall not apply
- 15 2 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members may agree in writing) If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting, any two members present in person or by proxy shall be a quorum Regulation 41 shall not apply

- 15 3 In regulation 44 the words "of the class of shares the holders of which appointed him as director" shall be substituted for the words "any class of shares in the Company"
- 15 4 At any general meeting a poll may be demanded by any member present in person or by proxy and entitled to vote Regulation 46 shall be modified accordingly
- 15 5 An instrument appointing a proxy may, in the case of a corporation, be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative
- 15 6 The instrument appointing a proxy to vote at a meeting shall be deemed also to confer authority to vote on a poll on the election of a chairman and on a motion to adjourn the meeting
- 15 7 The chairman of a general meeting shall not be entitled to a second or casting vote Regulation 50 shall not apply

16 Annual General Meeting

- 16 1 The Company must hold a general meeting as its annual general meeting within six months following the end of each financial year (in addition to any other meetings in that year), unless it is permitted by the Act to extend the period for holding its annual general meeting The Board must decide the time and place for each annual general meeting
- 16 2 All meetings other than annual general meetings shall be called general meetings

17 Accounts

- 17 1 The annual accounts of the Company are to be laid, considered and/or approved at a general meeting of the Company
- 17 2 The annual accounts of the Company together with a copy of the auditors' report and the directors' report and any other documents required to accompany or be annexed to them shall, not less than 21 days before the date of the general meeting at which copies of those documents are to be laid, considered and/or approved, be sent to every member and to every debenture holder of the Company and to every other person who is entitled to receive notices from the Company of general meetings

18 Auditors

- 18 1 The auditors of the Company shall be appointed annually

19 Votes of Members

- 19 1 Subject as provided below in this Article 19 1 and to any other special rights or restrictions as to voting attached to any shares by or in accordance with these Articles, on a show of hands every member who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a member entitled to vote, shall have one vote and on a poll every

member shall have one vote for every share of which he is the holder, provided that no shares of any class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of another class

19 2 Regulations 53 and 54 shall not apply

20 Alternate Directors

20 1 Any director (other than an alternate director) may at any time appoint any person (including another director) to be an alternate director and may at any time terminate such appointment. Any such appointment or termination of appointment shall be effected as provided in Article 20 5. The same person may be appointed as the alternate director of more than one director.

20 2 The appointment of an alternate director shall determine on the happening of any event which, if he were a director, would cause him to vacate such office or if his appointor ceases to be a director.

20 3 An alternate director shall be entitled to receive notices of meetings of the directors and of any committee of the directors of which his appointor is a member and shall be entitled to attend and vote as a director and be counted in the quorum at any such meeting at which his appointor is not personally present and generally at such meeting to perform all functions of his appointor as a director and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a director of the relevant class. It shall not be necessary to give notices of meetings to an alternate director who is absent from the United Kingdom. If an alternate director shall be himself a director or shall attend any such meeting as an alternate for more than one director, his voting rights shall be cumulative but he shall count as only one for the purpose of determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through ill health or disability, his signature to any resolution in writing of the directors shall be as effective as the signature of his appointor. An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

20 4 An alternate director shall be entitled to contract and be interested in and benefit from contracts or arrangements or transactions and to be repaid expenses and to be indemnified to the same extent *mutatis mutandis* as if he were a director but he shall not be entitled to receive from the Company in respect of his appointment as an alternate director any remuneration except only such part (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

20 5 Regulations 65 to 69 shall not apply

21 Appointment and Retirement of Directors

- 21 1 Regulation 64 shall not apply. The number of directors shall not be subject to any maximum and shall be not less than two
- 21 2 The holder or holders of a majority in nominal value of the "A" Shares shall be entitled by notice in writing to the Company to appoint one director and by like notice to remove such director and at any time and from time to time by like notice to appoint any other person to be a director in the place of a director so removed. Any director so appointed shall be an "A" Director
- 21 3 The holder or holders of a majority in nominal value of the "B" Shares shall be entitled by notice in writing to the Company to appoint one director and by like notice to remove any such director and at any time and from time to time by like notice to appoint any other person to be a director in place of a director so removed. Any director so appointed shall be a "B" Director
- 21 4 The holder or holders of a majority in nominal value of the "C" Shares shall be entitled by notice in writing to the Company to appoint one director and by like notice to remove any such director and at any time and from time to time by like notice to appoint any other person to be a director in place of a director so removed. Any director so appointed shall be a "C" Director
- 21 5 The Shareholders from time to time of the Company shall be entitled to appoint one or more additional directors. Any director so appointed shall be an Additional Director
- 21 6 A notice of appointment or removal of a director pursuant to this Article 21 shall take effect upon lodgement at the office or on delivery to a meeting of the directors or on delivery to the secretary
- 21 7 Every director appointed pursuant to this Article 21 shall hold office until he is either removed in the manner provided by this Article 21 or dies or vacates office pursuant to regulation 81 (as modified by Article 21 11)
- 21 8 Any director appointed pursuant to this Article 21 shall be at liberty from time to time to make such disclosure to his appointor(s) as to the business and affairs of the Company and its subsidiaries as he shall in his absolute discretion determine
- 21 9 During periods when there are, for whatever reason, no "A" Directors or, as the case may be, no "B " Directors or, as the case may be, no "C" Directors
- 21 9 1 Article 24 1 shall not apply, and
- 21 9 2 any matter which under these Articles requires the approval, agreement or consent of the "A" Directors or, as the case may be, the "B" Directors or, as the case may be, the "C" Directors (or any of them) shall not require such approval, agreement or consent from such Directors

21 10 The directors shall not be subject to retirement by rotation and accordingly regulations 73 to 75 shall not apply and all other references in the regulations to retirement by rotation shall be disregarded

21 11 Regulations 76, 77 and 80 shall not apply The second and third sentences of regulation 79 shall not apply

22 Disqualification and Removal of Directors

22 1 Regulation 81 shall be modified by deleting paragraph (e) thereof The office of a director shall also be vacated if he shall be removed from office as hereinbefore provided

23 Pensions

23 1 The directors may give or award pensions, annuities, gratuities and superannuation or other allowances or benefits to any employees or ex-employees and to officers and ex-officers (including directors and ex-directors) of the Company or its predecessors in business or of any holding company or subsidiary of the Company or to the relations or dependents of any such persons and may establish, support and maintain pensions, superannuation or other funds or schemes (whether contributory or non-contributory) for the benefit of any such persons and/or their relations or dependants or any of them Any director shall be entitled to receive and retain for his own benefit any such pension, annuity, gratuity, allowance or other benefit and may vote as a director in respect of the exercise of any of the powers by this Article 23 conferred upon the directors notwithstanding that he is or may become interested therein Regulation 87 shall not apply

24 Proceedings of Directors

24 1 Except during periods when there are, for whatever reason, no "A" Directors or no "B" Directors"

24 1 1 the quorum for the transaction of the business of the directors shall be two, of whom one shall be an "A" Director and one a "B" Director, and

24 1 2 any committee of the directors shall include at least one "A" Director and one "B" Director and the quorum for the transaction of the business of any such committee shall be two of whom one shall be an "A" Director and one a "B" Director

In the event that at any duly convened meeting of the directors or of any committee of the directors the meeting is not so quorate or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day and at such other time and place as an "A" Director and a "B" Director may agree in writing) and at such adjourned meeting the quorum shall be any two directors

24 2 The chairman of any meeting of the directors or of any committee of the directors shall not be entitled to a second or casting vote Regulation 88 shall be modified accordingly

24 3

24 3 1 Unless otherwise agreed in writing by an "A" Director and a "B" Director in any particular case, at least 7 clear days' notice in writing shall be given to each director of every meeting of the directors

24 3 2 It shall not be necessary to give any such notice to any director absent from time to time from the United Kingdom

24 3 3 Each such notice shall (a) be sent to the address notified from time to time by each director to the secretary (or, if there is none at that time, the chairman) as his address for the service of such notices (or if no address has been so supplied, to his last known address), (b) contain an agenda specifying in reasonable detail the matters to be discussed at the relevant meeting, (c) be accompanied by any relevant papers for discussion at such meeting

24 3 4 Save as provided in Article 24 3 3, any such notice may be delivered personally or by first class prepaid letter and shall be deemed to have been served if by delivery when delivered and if by first class letter 48 hours after posting

24 3 5 Except as may be agreed by an "A" Director and a "B" Director in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting

24 3 6 Appropriate complete minutes of each meeting of the directors shall be maintained by the Company and copies thereof distributed to the directors as soon as reasonably practicable after the meeting shall have been held

24 4 All or any of the members of the board of directors or any committee of the board may participate in a meeting of the board or that committee by means of conference telephones or any communication equipment which allows all persons participating in the meeting to hear each other A person so participating shall be deemed to be present in person at the meeting and shall be entitled to vote or be counted in a quorum accordingly Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

24 5 A director who is in any way whether directly or indirectly interested in a transaction or arrangement or proposed transaction or arrangement with the Company may vote in respect of any such transaction or arrangement or proposed transaction or

arrangement or any matter arising thereout and if he does so vote his vote shall be counted and he shall be capable of constituting a quorum at any meeting of the directors at which any such transaction or arrangement or proposed transaction or arrangement shall come before the board of directors for consideration and may retain for his own absolute use and benefit all profits and advantages directly or indirectly accruing to him thereunder or in consequence thereof Regulations 94 to 97 shall not apply

25 Dividends

25 1 Regulation 102 shall be amended by the addition after the words “declare dividends in accordance with the respective rights of the members” of the words “provided such dividends are made only out of profits available for the purpose”

25 2 Regulation 103 shall be amended by the addition after the words “pay interim dividends if it appears to them that they are justified by the profits of the company available for distribution” of the words “provided such dividends are made only out of profits available for the purpose”

25 3 The Company shall only make a distribution

25 3 1 if the amount of its net assets is not less than the aggregate of its called-up share capital and undistributable reserves, and

25 3 2 if, and to the extent that, the distribution does not reduce the amount of those assets to less than that aggregate

26 Borrowing Powers

26 1 The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

27 Restriction of Members

27 1 No member shall at any time whilst he (or any person to whom he has transferred shares pursuant to Article 10 2) is a holder of shares in the Company

27 1 1 in any geographic areas in which any business of the Company is carried on, carry on or be employed, engaged or interested in any business which would be in competition with any part of any business carried on by the Company, or

27 1 2 deal with, canvass, solicit or otherwise seek the custom of any person who is a client or customer of the Company, or

27 1 3 offer employment to, enter into a contract for the services of, or attempt to entice away from the Company, any individual who is at the time of the offer or attempt, employed directly or indirectly by the Company or procure or facilitate the making of any such offer or attempt by any other person, or

27 1 4 solicit or entice away from the Company any supplier to the Company

28 Notices

28 1 A notice sent by post shall be deemed to be given at the time when the same was posted The second sentence of regulation 115 shall not apply

29 Indemnity and Insurance

29 1 Subject to the provisions of and so far as may be permitted by law, every director, auditor, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or in relation thereto, including any liability incurred by him in defending any proceedings, civil or criminal, which relate to anything done or omitted or alleged to have been done or omitted by him as an officer or employee of the Company and in which judgment is given in his favour (or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part) or in which he is acquitted or in connection with any application under any statute for relief from liability in respect of any such act or omission in which relief is granted to him by the Court Regulation 118 shall not apply

29 2 The Company may purchase and maintain for any officer or auditor of the Company insurance against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company

30 Overriding Provisions

30 1 Notwithstanding the provisions of these Articles, the directors shall be obliged, so far as may be permitted by law, to act in all respects in accordance with and give effect to any Relevant Agreement

31 Company Seal

31 1 The Company need not have a company seal and pursuant to section 44 of the Act may execute and deliver any document as a deed under the signature of any two directors or of one director and the secretary A certificate in respect of any shares or other securities in the Company shall be validly issued if it is executed as a deed as aforesaid

32 Representatives

- 32 1 These Articles shall be binding upon and (except as otherwise provided herein) shall enure for the benefit of each member's Representatives