



**ARTICLES OF ASSOCIATION**  
**of Oxford Advanced Surfaces Limited (company number 05846542)**  
**adopted by written special resolution passed on 22<sup>nd</sup> June 2021**

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Company Number: 05846542

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION OF**  
**OXFORD ADVANCED SURFACES LIMITED**

**Adopted by special resolution passed on 22<sup>nd</sup> June 2021**

**1. Definitions and interpretations**

1.1 In these articles the following words and phrases have the meanings set out opposite them.

<b>"Act"</b>	the Companies Act 2006 (as amended from time to time);
<b>"Adoption Date"</b>	the date of adoption of these articles;
<b>"Board"</b>	the board of directors of the Company from time to time present at a duly convened meeting of the Directors at which a quorum is present or acting by unanimous decision in accordance with article 14.2 (subject to article 14.3 and article 14.4);
<b>"Business Day"</b>	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks are open for business in the City of London;
<b>"Call"</b>	has the meaning given to it in article 17.3;
<b>"Call Notice"</b>	has the meaning given to it in article 17.3;
<b>"Company"</b>	Oxford Advanced Surfaces Limited (company number 05846542);
<b>"Controlling Interest"</b>	an interest (within the meaning of sections 820-825 of the Act) in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
<b>"Director"</b>	each director of the Company from time to time;
<b>"EBT"</b>	any trust set up by the Company from time to time to acquire, hold, and apply shares for the benefit of employees and/or directors of the Company and/or its subsidiaries;
<b>"Electronic Form"</b>	has the meaning given in section 1168 of the Act;

<b>"Eligible Director"</b>	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
<b>"Fair Value"</b>	as provided in article 10.1.2;
<b>"Family Trusts"</b>	in relation to any Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder and/or any of his Privileged Relations (and any charity or charities as default beneficiaries meaning that the 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 other charities) and under which no power of control over the voting powers conferred by any shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Shareholder or any of his Privileged Relations;
<b>"Group"</b>	the Company, its subsidiaries, any Holding Company of the Company and any Subsidiary of any such Holding Company from time to time and <b>"Group Company"</b> shall be construed accordingly;
<b>"Hard Copy Form"</b>	has the meaning given in section 1168 of the Act;
<b>"Holding Company"</b>	has the meaning given in section 1168 of the Act;
<b>"Independent Expert"</b>	an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales, whose decision shall, save in the case of manifest error, be final and binding;
<b>"Lien Enforcement Notice"</b>	a notice in writing which complies with the requirements of article 17.2;
<b>"Major Shareholder"</b>	any Shareholder holding an interest in shares representing more than 0.5% of the entire issued share capital of the Company;

<b>"Minority Shareholder"</b>	any Shareholder holding an interest in shares representing 0.5% or less of the entire issued share capital of the Company;
<b>"Model Articles"</b>	the Model Articles for private companies limited by shares contained in schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date;
<b>"ordinary resolution"</b>	has the meaning given in section 282 of the Act;
<b>"Ordinary Shares"</b>	the Ordinary Shares of £0.0125 each in the capital of the Company;
<b>"Permitted Transferee"</b>	any person to whom a Shareholder is entitled to transfer shares under article 9;
<b>"Privileged Relation"</b>	the spouse or civil partner (under the Civil Partnership Act 2004) of a Shareholder and every child, stepchild, grandchild, adopted child and the respective spouse, civil partner, widow or widower of a person who is a Shareholder;
<b>"Relevant Member"</b>	has the meaning set out in article 11.2;
<b>"Relevant Securities"</b>	<p>all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares, but excluding;</p> <p>(a) the grant of options to subscribe for Ordinary Shares under a Share Option Scheme (and the issue of the shares upon exercise of such options); and</p> <p>(b) any shares which the Company is required to issue by reason of a right specifically attached to shares under these articles;</p>
<b>"Sale Price"</b>	shall have the meaning set out in article 10.1.2;
<b>"Sale Shares"</b>	the shares specified or deemed to be specified for sale in a Transfer Notice or Deemed Transfer Notice;
<b>"Seller"</b>	the transferor of shares pursuant to a Transfer Notice or a Deemed Transfer Notice;
<b>"Share Option Scheme"</b>	any share option scheme established by the Company, eligible beneficiaries of which shall be bona fide employees, non-executive Directors and/or consultants to the Company;

<b>"Shareholder Majority"</b>	the holders of in aggregate 50% or more of the total number of Ordinary Shares in issue in the capital of the Company;
<b>"Shareholder"</b>	a holder of Ordinary Shares in the Company;
<b>"shares"</b>	any share forming part of the share capital of the Company from time to time;
<b>"special resolution"</b>	has the meaning given in section 238 of the Act;
<b>"Specified Shares"</b>	has the meaning set out in article 12.1.1;
<b>"Subscription Price"</b>	in relation to any share, the amount paid up thereon (including the full amount of any premium at which such share was issued whether or not such premium is applied for any purpose thereafter);
<b>"Subsidiary"</b>	has the meaning given in section 1159 of the Act;
<b>"these articles"</b>	these articles of association, whether as originally adopted or from time to time altered by special resolution;
<b>"Total Transfer Condition"</b>	shall have the meaning set out in article 10.2;
<b>"Transfer Event"</b>	has the meaning set out in article 11.1;
<b>"Transfer Notice"</b>	a notice in writing given by any Shareholder to the Company where such Shareholder desires or is required by these articles to transfer any shares and where such notice is deemed to have been served it shall by referred to as a <b>"Deemed Transfer Notice"</b> ;
<b>"Transferee"</b>	has the meaning given in article 10.6.5.

- 1.2 Whether or not persons are 'acting in concert' will be determined by the then most recent edition of the City Code on Takeovers and Mergers.
- 1.3 A person shall be deemed to be connected with another if that person is connected with another within the meaning of sections 1122 and 1123 of the Corporation Tax Acts 2010.
- 1.4 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles (but excluding any statutory modification of them not in force on the date of adoption of these articles.

## **2. Application of Model Articles**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles or are inconsistent with these articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 7(1), 8, 9(1) and (3), 11(2) and (3), 13, 14(1) to (4) (inclusive), 16, 26(5), 44(2) and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.4 Model Article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the Transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

## **3. Dividends**

Any profits which the Company determines to distribute in respect of any financial year shall be distributed amongst the holders of Ordinary Shares then in issue according to the number of Ordinary Shares held by them Model Article 30 is modified accordingly.

## **4. Voting**

- 4.1 Subject to any other provisions in these articles concerning voting rights, the Ordinary Shares in the Company shall carry one vote per Ordinary Share at all general meetings of the Company and on proposed written resolutions of the Company.
- 4.2 Votes on shares may be exercised:
  - 4.2.1 on a show of hands by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative (in which case each Shareholder holding shares with votes shall have one vote); and
  - 4.2.2 on a poll by every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each Shareholder holding shares with votes shall have one vote for each such share held).
- 4.3 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting. Model Article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.

## **5. Proxies**

5.1 The instrument appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may be sent or supplied in Hard Copy Form, or (subject to any conditions and limitations which the Board may specify) in Electronic Form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote.

5.2 Model Article 45(1) shall be amended by:

5.2.1 the deletion of Model Article 45(1)(d) and its replacement with the words "is delivered to the Company in accordance with these articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"; and

5.2.2 the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Model Article.

## **6. Class rights**

6.1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding up, with and only with, the consent in writing of the holders of at least 75% of the issued shares of that class.

6.2 Upon a consolidation of fully paid shares into shares of larger amount the Directors may settle any difficulty which arises and in particular may, as between the holders of shares consolidated, determine which shares are consolidated into each consolidated share. In the case of any shares registered in the name or names of one or more members being consolidated with shares registered in the name or names of another member or members, the Directors may make such arrangements for the sale of the consolidated share or for the issue, acceptance or sale of fractional certificates and may sell the consolidated share or the fractions represented by fractional certificates, either upon the market or otherwise, to such person or persons at such times and at such prices as they think fit. The Directors shall distribute the net proceeds of sale among the members rateably (after deduction of the expenses of sale) in accordance with their interests in the consolidated share or the fractions represented by the fractional certificates, save where the amount to be distributed to a member in respect of any such interest or fraction amounts to less than £3.00, in which case any such amount may be retained for the benefit of the Company. For the purpose of



giving effect to a sale the Directors may appoint any person on behalf of the relevant members to transfer the shares or fractions sold to the purchasers.

**7. Further issues of shares**

- 7.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of any Relevant Securities made by the Company.
- 7.2 If the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to all Shareholders holding Ordinary Shares on the date of the offer on the same terms, and at the same price, as those Relevant Securities are being offered to other persons on a *pari passu* and pro rata basis to the number of Ordinary Shares held by those holders (as nearly as possible without involving fractions). The offer:
  - 7.2.1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the Relevant Securities; and
  - 7.2.2 may stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the proportion to which he is entitled shall, in his acceptance, state the number of excess Relevant Securities ("**Excess Securities**") for which he wishes to subscribe.
- 7.3 Any Relevant Securities not accepted by Shareholders pursuant to the offer made to them in accordance with article 7.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 7.2. If there are insufficient unallocated Relevant Securities to satisfy such requests, such Relevant Securities shall be allotted to the applicants applying for Excess Securities pro rata to the number of Ordinary Shares held by such applicants immediately before the offer was made to Shareholders in accordance with article 7.2 (as nearly as possible without involving fractions or increasing the number of Relevant Securities allotted to any Shareholder beyond that applied for by him) After that allotment, any Relevant Securities remaining shall be offered to any other person as the Board may determine, at the same price and on the same terms as the offer to the Shareholders.
- 7.4 Subject to articles 7.2 and 7.3 and to section 549 of the Act, any Relevant Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
- 7.5 Without the prior written consent of the Board, no shares shall be allotted to any employee, director, prospective employee or director of any member of the Group unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## **8. Transfer of shares**

8.1 The Directors shall refuse to register any transfer of shares made in contravention of the provisions of these articles but shall not otherwise be entitled to refuse to register any transfer of shares unless:

8.1.1 they suspect that the proposed transfer may be fraudulent;

8.1.2 the registration thereof would permit the registration of a transfer of shares on which the Company has a lien;

8.1.3 the transfer is to a minor; or

8.1.4 such refusal is made pursuant to article 10.8.

8.2 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

8.2.1 £15,000; and

8.2.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

## **9. Permitted transfers**

### **9.1 Transfers with Shareholder approval**

Notwithstanding any other provision of these articles, a transfer of any shares approved by a Shareholder Majority may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors.

### **9.2 Transfers by Minority Shareholders**

Notwithstanding any other provision of these articles, a Minority Shareholder may transfer his/its shares without restriction as to price or otherwise and any such transfer shall be registered by the Directors.

### **9.3 Transfers on a matched bargain facility**

Notwithstanding any other provision of these articles, if and for as long as all shares in the Company are able to be traded on an "off-market" matched bargain facility (which is not a regulated exchange) approved by the Directors, transfers of any shares may be made in accordance with the parameters and restrictions applicable to such facility free from any restrictions in these articles (including (without limitation) those in Articles 9, 10 and 11).

#### **9.4 Permitted transfers by corporate Shareholders**

Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any Shareholder which is a body corporate may be made by such body corporate to:

- 9.4.1 any Subsidiary of that body corporate;
- 9.4.2 any employee trust of that body corporate;
- 9.4.3 that body corporate's Holding Company;
- 9.4.4 any limited partner participant interested in or sole Shareholder holding the shares of that body corporate; and
- 9.4.5 any Subsidiary of that Holding Company;

(a "member of the same group") without restriction as to price or otherwise, and any such transfer shall be registered by the Directors. If any such Transferee ceases to be a member of the same group as the original transferor it shall forthwith (and in any event within 15 Business Days) transfer the relevant shares back to the original transferor, or another member of the same group as the original transferor, failing which a Deemed Transfer Notice shall be deemed given in respect of the relevant shares by such Transferee and such shares may not otherwise be transferred.

#### **9.5 Permitted transfers to Privileged Relations and Family Trusts**

- 9.5.1 Subject to the provisions of articles 9.5.2 and 9.5.3, any Shareholder may at any time during his lifetime transfer all or any shares held by him to a Privileged Relation or to trustees to be held upon a Family Trust of which he is the settlor, provided that any such transfer of shares to trustees to be held upon a Family Trust may only be made with Board approval in accordance with article 9.6.
- 9.5.2 If and whenever any shares in the Company held by trustees upon a Family Trust cease to be so held upon a Family Trust (otherwise than in consequence of a transfer to the relevant beneficiary or to any Privileged Relation of the beneficiary) or there cease to be any beneficiaries of the Family Trust other than a charity or charities, the trustees shall (if possible) forthwith (and in any event within 15 Business Days) transfer the relevant shares to the beneficiary or any Privileged Relation of the beneficiary, failing which a Deemed Transfer Notice shall be deemed to have been given in respect of all shares in the Company by the holders thereof and such shares may not otherwise be transferred.
- 9.5.3 If and whenever any shares in the Company are held by a Privileged Relation of an original Shareholder who ceases so to be a Privileged Relation of such Shareholder, the former Privileged Relation shall forthwith (and in any event within 15 Business Days) transfer the relevant shares to such original Shareholder or another Privileged Relation of such original Shareholder,

failing which a Deemed Transfer Notice shall be deemed to have been given in respect of all shares in the Company by the holders thereof and such shares may not otherwise be transferred.

**9.6 Criteria for consents to Family Trusts**

Where Board approval is required to a transfer to a Family Trust such consent must be given if the Board is satisfied:

- 9.6.1 with the terms of the trust instrument and in particular with the powers of the trustees;
- 9.6.2 with the identity of the proposed trustees;
- 9.6.3 that the proposed transfer will not result in 50% or more in the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- 9.6.4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company.

**9.7 Permitted transfers by trustees**

- 9.7.1 Notwithstanding any other provisions of these articles, trustees who hold shares on behalf of beneficiaries may transfer the beneficial interest to other beneficiaries, including terminating declarations of trust made in favour of certain beneficiaries and declaring new trusts in favour of other beneficiaries.
- 9.7.2 Notwithstanding any other provisions of these articles, a transfer of shares originally held by a Shareholder may be made by:
  - 9.7.2.1 trustees of a Family Trust or an EBT to new trustees of such Family Trusts or EBT (as appropriate) or to persons who are beneficiaries under such trusts; and/or
  - 9.7.2.2 a transfer from a Shareholder holding shares as a share trustee to persons who are beneficiaries under such share trusts.
- 9.7.3 Any EBT shall be entitled to transfer or distribute any share or shares according to its rules to any employee or director of the Company.

**9.8 In Specie Distributions**

Notwithstanding any other provisions of these articles, a transfer of any shares in the Company held by any Shareholder which is a body corporate in connection with any in specie distribution made to its shareholders, whether by way of dividend or otherwise, may be made without restriction as to price or otherwise, and any such transfer shall be registered by the Directors.

10. **Pre-emption rights**

10.1 **Transfer Notices and Sale Price**

10.1.1 Except where otherwise provided in these articles (including, for the avoidance of doubt under articles 9, 11.3 and 12.2), every Major Shareholder who desires to transfer any interest in shares must serve a Transfer Notice and any Major Shareholder who is required by these articles to transfer any interest in shares will be deemed to have served a Deemed Transfer Notice.

10.1.2 Transfer Notices and Deemed Transfer Notices shall constitute the Company as the Seller's agent for the sale of some or all of the Sale Shares in one or more lots at the discretion of the Directors at the price agreed by the Seller and the Directors (the "**Sale Price**"). If the Seller and the Directors are unable to agree a price within 21 days of the Transfer Notice being given or being deemed to have been given, the Company shall have the ability to refer the matter to the Independent Expert and the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares ("**Fair Value**"). In arriving at his opinion the Independent Expert will value the Sale Shares as at the date the Transfer Notice is given, or is deemed to have been given, on a going concern basis as between a willing Seller and a willing buyer, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest and on the assumption that the Sale Shares are capable of transfer without restriction. The decision of the Independent Expert as to the Sale Price shall, save in the case of manifest error, be final and binding. If the Company does not decide to refer the matter to the Independent Expert, the Transfer Notice delivered by such Seller shall be deemed to have been withdrawn and such Seller shall not be permitted to transfer the Sale Shares at that time.

10.2 **Right of Seller to reject partial sales**

A Transfer Notice (but not a Deemed Transfer Notice) may contain a condition (a "**Total Transfer Condition**") that unless all the Sale Shares are sold by the Company pursuant to this article none shall be sold. Any such provision shall be binding on the Company.

10.3 **Certification of the Sale Price and right of Seller to cancel**

If the Independent Expert is asked to certify the Fair Value his certificate shall be delivered to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller The Seller shall be entitled by notice in writing given to the Company within seven days of the service upon him of the copy certificate to cancel the Company's authority to sell the Sale Shares unless the shares are to be sold pursuant to a Deemed Transfer Notice The cost of obtaining the certificate shall be paid by the Company unless the Seller cancels the Company's authority to sell the Sale Shares in which case the Seller shall bear the cost.

#### 10.4 Pre-emptive offers-general

Once the Sale Price has been agreed or determined (as the case may be) then, unless the Seller has given a valid notice of cancellation pursuant to article 10.3, the Sale Shares shall be offered for sale in accordance with the following provisions of this article.

#### 10.5 Offer to Shareholders

10.5.1 As soon as the Sale Shares become available they shall forthwith be offered for sale by the Company giving notice in writing to that effect, first to the Company to the extent that the Company is lawfully able to buy back such Sale Shares and second to all holders of Ordinary Shares (other than the Seller). The notice shall specify:

10.5.1.1 the number of Sale Shares on offer and the Sale Price;

10.5.1.2 whether the Sale Shares are subject to a Total Transfer Condition; and

10.5.1.3 the date by which the application to purchase the Sale Shares has to be received by the Company (being a date no less than 14 days and no more than 21 days after the date of the notice).

10.5.2 The notice shall set out the method of allocation of the Sale Shares and shall invite each Major Shareholder to apply in writing to the Company for as many of the Sale Shares (if any) as that Major Shareholder would like to purchase.

#### 10.6 Basis of allocation to Shareholders

10.6.1 The Sale Shares of a Seller shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedure set out in this article.

10.6.2 If the total number of Sale Shares applied for by the Shareholders is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received.

10.6.3 If the total number of Sale Shares applied for is more than the number of Sale Shares available, the Directors shall allocate Sale Shares in satisfaction of each Shareholder's application for Sale Shares in accordance with the following formula. This formula shall be applied repeatedly until such time as there are no Sale Shares remaining to be allocated. Each application of the formula is herein referred to as an "iteration":

$$A = \frac{B \times D}{C}$$

A is the number of Sale Shares to be allocated to the relevant Shareholder in the iteration;

B is the number of Ordinary Shares held by the Shareholder;

- C is the number of Ordinary Shares held by all Shareholders to whom the iteration is being applied; and
- D is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations.

10.6.4 If, in any iteration, a Major Shareholder would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Major Shareholder. That Major Shareholder will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration.

10.6.5 The Company shall notify the Seller and each Major Shareholder who applied for Sale Shares ("Transferee") of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed.

#### **10.7 Transfer procedure for pre-emptive offers**

Subject to article 10.3, if the Company finds a purchaser or purchasers for all or any of the Sale Shares under the terms of this article the Seller shall be bound, upon receipt of the Sale Price, to transfer the Sale Shares (or such of the same for which the Company shall have found a purchaser or purchasers) to such persons. If the Seller defaults in transferring Sale Shares the Company shall, if so required by the person or persons willing to purchase such Sale Shares, receive and give a good discharge for the purchase money on behalf of the Seller and shall authorise some person to execute transfers of the Sale Shares in favour of the purchasers and shall enter the names of the purchasers in the Register of Shareholders as the holder of such of the Sale Shares as have been transferred to them.

#### **10.8 Transfers of excess Sale Shares**

If, following the Company's notification of the allocation of the Sale Shares as referred to in article 10.6.5, any of the Sale Shares have not been allocated, the Seller may (subject to the provisions of article 12) at any time within a period of eight weeks transfer the Sale Shares which have not been allocated (or, where the Transfer Notice contains a Total Transfer Condition and such condition has not been satisfied, all of the Sale Shares) to any person approved by the Directors and at any price (being not less than the Sale Price or deemed Sale Price, as the case may be) provided that the Directors:

- 10.8.1 may refuse approval if the Board reasonably considers (acting at their absolute discretion) that the Transferee is a person (or a nominee for a person); who is a competitor with the business of the Company or any member of its Group; or

10.8.2 may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the purchaser or purchasers and, if not so satisfied, may refuse to register the instrument of transfer;

(without prejudice, however, to the Directors' obligation to refuse to approve or register any transfer of shares in the circumstances described in article 8).

#### 10.9 Effect of non-compliance

Any purported transfer of shares otherwise than in accordance with the provisions of these articles shall, unless the Board unanimously resolves otherwise, be void and have no effect.

### 11. Compulsory transfers

11.1 In this article 11, a "Transfer Event" means in relation to any Shareholder:

11.1.1 a Shareholder who is an individual:

11.1.1.1 becoming bankrupt; or

11.1.1.2 and in respect of whom a registered medical practitioner who is treating that person has given a written opinion to the company stating that that person has become physically or mentally incapable of acting as a Shareholder and may remain so for more than three months;

11.1.2 a Shareholder making any arrangement or composition with his creditors generally;

11.1.3 a Shareholder who is a body corporate or public sector entity:

11.1.3.1 having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets:

11.1.3.2 having an administrator appointed in relation to it;

11.1.3.3 entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction); or

11.1.3.4 having any equivalent action taken in any jurisdiction;

11.1.4 a Shareholder or any Privileged Relation of a Shareholder or the trustees of any Family Trust of a Shareholder wilfully attempting to deal with or dispose of any Ordinary Share or any interest in it otherwise than in accordance with these articles; or

11.1.5 a Shareholder not giving a Transfer Notice in respect of any Shares which may otherwise be required by these articles.



- 11.2 Any Shareholder who becomes aware of the occurrence of a Transfer Event shall immediately notify the Company and all the other Shareholders in writing of that Transfer Event. Upon the happening of any Transfer Event, the Shareholder in respect of whom it is a Transfer Event ("**Relevant Member**") and any Privileged Relation or trustees of a Family Trust who have acquired Ordinary Shares from him (directly or by a means of a series of two or more transfers) shall be deemed to have immediately given a Deemed Transfer Notice in respect of all the Ordinary Shares then held by such Shareholder(s). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Ordinary Shares except for Ordinary Shares which have been validly transferred pursuant to that Transfer Notice. Notwithstanding any other provisions of these articles, any Shareholder holding Ordinary Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company or any proposed written resolution in respect of those Ordinary Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the register of Shareholders of the Company of another person as the holder of those Ordinary Shares.
- 11.3 The Ordinary Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with article 10 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Seller the person who is deemed to have given the Deemed Transfer Notice save that:
- 11.3.1 the Sale Price shall be a once per Sale Share agreed between the Seller and the Board and in default of agreement within 21 days after a Deemed Transfer Notice is deemed to have been given, the Fair Value;
- 11.3.2 the Seller may retain any Sale Shares for which Transferees are not found subject to the terms of these articles provided that for so long as those Sale Shares retained by the Seller are held by that Seller and/or any of his Permitted Transferees under, they shall carry no right to vote at a general meeting or on a proposed written resolution and no right for the holder to receive notice of or attend or speak at any general meeting of the Company or any class meeting nor to receive on any proposed written resolution nor count towards any Shareholder Majority; and
- 11.3.3 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date.
- 11.4 Between the date of the Deemed Transfer Notice and the transfer of the Relevant Member's shares (not being a permitted transfer under article 9), all voting rights attaching to such shares shall be suspended

## 12. Tag along and drag along rights

### 12.1 Tag along

12.1.1 Notwithstanding any other provision in these articles, no sale or transfer or other disposition of any interest in any shares ("**Specified Shares**") shall have any effect if it would result in a Controlling Interest being obtained in the Company by any person or group of persons acting in concert unless, before the sale, transfer or other disposition takes effect, the proposed Transferee has made a bona fide offer in accordance with this article 12.1.1 to purchase at the specified price (defined in article 12.1.3) all the shares held by all the other Shareholders (except any Shareholder which has expressly waived its right to receive such offer for the purpose of this article).

12.1.2 An offer made under article 12.1.1 shall be in writing, open for acceptance for at least 20 days and shall be deemed to be rejected by any Shareholder who has not accepted it in accordance with its terms within the time period for acceptance.

12.1.3 For the purpose of article 12.1:

12.1.3.1 the expression "**transfer**" shall include the renunciation of a renounceable letter; and

12.1.3.2 the expression "**specified price**" means a price per share equal to the highest price paid (or payable pursuant to such bona fide offer referred to in article 12.1.1) by the Transferee or persons acting in concert with him or connected with him for any shares within the last six months plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as part of the overall consideration paid or payable for the Specified Shares.

12.1.4 If the specified price or its cash equivalent for any shares cannot be agreed within 15 Business Days of the proposed sale, transfer or other disposition referred to in article 12.1.1 between the proposed Transferee and Shareholders holding 75% of the class of shares concerned (excluding the Transferee and persons who have waived their right to receive an offer), it may be referred to the Independent Expert by any Shareholder and, pending its determination, the sale, transfer or other disposition referred to in article 12.1.1 shall have no effect. The costs of the Independent Expert shall be borne as the Independent Expert shall determine.

12.1.5 The rights of pre-emption set out in these articles shall not arise on any transfer of shares made in accordance with articles 12.1.1 to 12.1.4 inclusive. Further, the provisions of articles 12.1.1 to 12.1.4 shall not apply where a Drag Along Notice has been served.

## 12.2 Drag along

- 12.2.1 If the holders of not less than 75% of the Ordinary Shares in issue for the time being (the "**Selling Shareholders**") wish to transfer all their interest in Ordinary Shares (the "**Sellers' Shares**") to any party (the "**Proposed Purchaser**"), the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Ordinary Shares (the "**Called Shareholders**") to sell and transfer all their shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of articles 12.2.1 to 12.2.9.
- 12.2.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to the Company to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice shall specify (i) that the Called Shareholders are required to transfer all their Ordinary Shares (the "**Called Shares**") pursuant to this article, (ii) the person to whom they are to be transferred, (iii) the consideration (including details of any non-cash consideration ("**Non-Cash Consideration**") for which the Called Shares are to be transferred ("**Drag Price**") (calculated in accordance with this article) and (iv) the proposed date for completion of the transfer of the Sellers' Shares and the Called Shares.
- 12.2.3 Immediately upon receipt of the Drag Along Notice, the Board shall give notice in writing to each of the Called Shareholders giving the details contained in the Drag Along Notice requiring them each to sell and transfer the Called Shares to the Proposed Purchaser (or as the Proposed Purchaser may direct) at the completion date as set out in the Drag Along Notice free from encumbrances and on the same terms and conditions per share as set out in the Drag Along Notice.
- 12.2.4 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 12.2.5 The Drag Price shall be no less favourable than the price (including Non-Cash Consideration) per Seller Share receivable by the Selling Shareholders. Any dispute about the calculation of the Drag Price shall be immediately referred to an Independent Expert (whose decision shall, in the absence of manifest error, be final and binding).
- 12.2.6 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless;
- 12.2.6.1 all of the Called Shareholders and the Selling Shareholders agree otherwise; or

12.2.6.2 that date is less than three days after the Drag Along Notice where it shall be deferred until the third day after the Drag Along Notice.

12.2.7 The rights of pre-emption set out in these articles shall not arise on any transfer of shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served and the Directors shall forthwith register the Proposed Purchaser (or as they may direct) as the holder thereof. After the Proposed Purchaser (or their nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall not be an impediment to registration of shares under this sub-article that a share certificate has not been produced.

12.2.8 If any Shareholder, having been so required, defaults in transferring any shares (a **"Defaulting Called Shareholder"**), the Company may receive (and hold for the account of the Defaulting Called Shareholder) the consideration (either by way of cash or Non-Cash Consideration) on behalf of the Defaulting Called Shareholder, and may authorise a Director (who each Shareholder hereby appoints as its attorney) to execute a transfer of such shares in favour of the Proposed Purchaser.

12.2.9 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a **"New Shareholder"**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by them to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of articles 12.2.1 to 12.2.7 shall apply mutates mutandis to the New Shareholder save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Shareholder.

12.2.10 The provisions of this Article 12.2 shall prevail over any contrary provisions of these articles. Any Transfer Notice deemed served in respect of any Shares shall automatically be revoked by the service of a Drag Along Notice.

### 13. **Appointment and removal of Directors**

13.1 The Directors may appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director. In addition, the holders of shares representing more than half of the shares which carry the right to attend and vote at general meetings of the Company may by notice to the Company together appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

13.2 Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

13.2.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director; and

13.2.2 in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) or, if applicable, ceases to provide consultancy services to the Company or other Group Company and does not either continue as an employee of or consultant to any other Group Company or otherwise provide consultancy services to any other Group Company.

**14. Proceedings of directors**

14.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these articles or must be a decision taken in accordance with article 14.2 (subject to article 14.3 and article 14.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes.

14.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

14.3 A decision taken in accordance with article 14.2 may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

14.4 A decision may not be taken in accordance with article 14.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 14.6 and article 14.7.

14.5 Any Director may call a meeting of the Directors, or authorise the company secretary (if any) to give such notice. At least seven Business Days' advance notice in writing of each such meeting shall be given to each Director. Notice of every meeting of the Directors shall be given to each Director, and any observer appointed by a Shareholder, at any address supplied by him to the Company for that purpose whether or not he be present in the United Kingdom provided that any Director may waive notice of any meeting either prospectively or retrospectively and if he shall do so it shall be no objection to the validity of such meeting that notice was not given to him. Meetings of the Directors may be held by conference telephone or similar equipment so long as all the participants can hear each other. Such meetings shall be as effective as if the Directors had met in person.

14.6 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be any two Eligible Directors.

- 14.7 If the necessary quorum pursuant to article 14.6 for any meeting is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to the date which is one week from the original meeting or to such other time and place as the Directors determine. No business shall be raised at a meeting adjourned pursuant to this article 14.7 unless it was included in the agenda and associated notices of the original meeting.
- 14.8 For the purposes of any meeting (or part of a meeting) held pursuant to article 15.4 to authorise a conflict of interest, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 14.9 If the number of Directors in office for the time being is less than two, the Directors in office must not take any decision other than a decision to:
- 14.9.1 appoint further Directors; or
- 14.9.2 call a general meeting so as to enable the Shareholders to appoint further Directors.
- 14.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 14.11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.
- 15. Directors' conflicts of interest**
- 15.1 Specific interests of a Director**
- 15.1.1 Subject to the provisions of the Act and provided (if these articles so require) that he has declared to the Directors in accordance with the provisions of these articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- 15.1.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;
- 15.1.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested;

- 15.1.1.3 where a Director (or a person connected with him) is a Shareholder in the Company or a Shareholder in, employee, director, member or other officer of, or consultant to, a parent undertaking of, or a Subsidiary undertaking of a parent undertaking of, the Company;
- 15.1.1.4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested;
- 15.1.1.5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested;
- 15.1.1.6 where a Director (or a person connected with him or of which he is a member;
- 15.1.1.7 employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this;
- 15.1.1.8 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- 15.1.1.9 any other interest authorised by ordinary resolution.

## **15.2 Interests of which a Director is not aware**

For the purposes of this article 15, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his.

## **15.3 Accountability of any benefit and validity of a contract**

In any situation permitted by this article 15 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit.

#### 15.4 Terms and conditions of Board authorisation

15.4.1 Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt:

15.4.1.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation:

- (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest;
- (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed; or
- (c) restricting the application of the provisions in article 15.5, so far as is permitted by law, in respect of such Interested Director;

15.4.1.2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time.

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this article 15.

#### 15.5 Director's duty of confidentiality to a person other than the Company

15.5.1 Subject to article 15.5.2 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this article 15), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

15.5.1.1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company; or

15.5.1.2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

15.5.2 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, article 15.5.1 shall apply only if



the conflict arises out of a matter which falls within article 15.1 or has been authorised under section 175(5)(a) of the Act.

**15.6 Additional steps to be taken by a Director to manage a conflict of interest**

Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation:

- 15.6.1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and
- 15.6.2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

**15.7 Requirement of a Director is to declare an interest**

Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by article 15.1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:

- 15.7.1 falling under article 15.1.1.8;
- 15.7.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or
- 15.7.3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these articles.

**15.8 Shareholder approval**

- 15.8.1 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this article 15.

15.8.2 For the purposes of this article 15:

- 15.8.2.1 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
- 15.8.2.2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director; and
- 15.8.2.3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

**16. Notices of general meetings and quorum**

- 16.1 Every notice convening a general meeting may be given in accordance with section 308 of the Act, that is in Hard Copy Form, Electronic Form or by means of a website and shall comply with the provisions of section 325(1) of the 2006 Act as to giving information to members in regard to their right to appoint proxies Notices of, and other communications relating to, any general meeting which any member is entitled to receive shall be sent to the Directors and to the auditors of the Company.
- 16.2 The quorum for a general meeting shall be two qualifying persons (as defined in section 318 of the Act) present at the general meeting, except when the Company has only one Shareholder, when the quorum shall be one such qualifying person.
- 16.3 Where a general meeting is adjourned under Model Article 41 because a quorum is not present or if during a meeting a quorum ceases to be present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Shareholders present shall form a quorum, and Model Article 41 shall be modified accordingly.
- 16.4 Ordinary resolutions and special resolutions may be passed as written resolutions in accordance with the Act. A proposed written resolution will lapse if not passed before the period of 28 days beginning with the circulation date. A written resolution shall be deemed to have been executed on behalf of a corporation if signed by one of its directors or its secretary In the case of a share held by joint holders, the signature of any one shall be sufficient.

**17. Lien, calls on shares and forfeiture**

- 17.1 The Company has a lien (the "**Company's Lien**") over every Ordinary Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Ordinary Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

## **17.2 Enforcement of the Company's Lien**

**17.2.1** Subject to the provisions of this article 17.2, if:

**17.2.1.1** a Lien Enforcement Notice has been given in respect of an Ordinary Share; and

**17.2.1.2** the person to whom the notice was given has failed to comply with it, the Company may sell that Ordinary Share in such manner as the Directors decide.

**17.2.2** A Lien Enforcement Notice:

**17.2.2.1** may only be given in respect of an Ordinary Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;

**17.2.2.2** must specify the Ordinary Share concerned;

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

**17.2.2.4** must be addressed either to the holder of the Ordinary Share or to a transmittee of that holder; and

**17.2.2.5** must state the Company's intention to sell the Ordinary Share if the notice is not complied with.

**17.2.3** Where Ordinary Shares are sold under this article 17.2:

**17.2.3.1** the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and

**17.2.3.2** the Transferee is not bound to see to the application of the consideration, and the Transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

**17.2.4** The net proceeds of any such sale (after payment of the costs of sale and any other:

**17.2.4.1** costs of enforcing the lien) must be applied first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

**17.2.4.2** second, to the person entitled to the Ordinary Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Ordinary Shares

before the sale for any money payable by that person (or his estate or any joint holder of the Ordinary Shares) after the date of the Lien Enforcement Notice.

17.2.5 A statutory declaration by a Director that the declarant is a Director and that an Ordinary Share has been sold to satisfy the Company's Lien on a specified date:

17.2.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Ordinary Share; and

17.2.5.2 subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the Share.

### 17.3 **Call notices**

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

17.3.2 A Call Notice:

17.3.2.1 may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company;

17.3.2.2 must state when and how any Call to which it relates is to be paid; and

17.3.2.3 may permit or require the Call to be made in instalments.

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

17.3.4 Before the Company has received any Call due under a Call Notice the Directors may:

17.3.4.1 revoke it wholly or in part; or

17.3.4.2 specify a later time for payment than is specified in the notice;

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

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

17.3.5.1 on allotment;

17.3.5.2 on the occurrence of a particular event; or

17.3.5.3 on a date fixed by or in accordance with the terms of issue.

#### **17.4 Forfeiture**

17.4.1 If a person is liable to pay a Call and fails to do so by the Call payment date:

17.4.1.1 the Directors may issue a notice of intended forfeiture to that person; and

17.4.1.2 until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate.

17.4.2 A notice of intended forfeiture:

17.4.2.1 may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice;

17.4.2.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;

17.4.2.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

17.4.2.4 must state how the payment is to be made; and

17.4.2.5 must state that if the notice is not complied with, the Ordinary Shares in respect of which the Call is payable will be liable to be forfeited.

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

#### **18. Partly paid shares**

18.1 Model Article 21(1) shall not apply to the Company and shares may be issued other than fully paid.

18.2 If the Subscription Price of any share (including any premium) is partly paid, the rights to dividend of any such share shall be abated in the same proportion as the unpaid amount bears to the total subscription once.

**19. Means of communication to be used**

19.1 Any notice, document or other information shall be deemed served on or delivered to the intended Recipient:

19.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 24 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended Recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);

19.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

19.1.3 if properly addressed and sent or supplied by electronic means, six hours after the document or information was sent or supplied, and

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

For the purposes of this article 19, no account shall be taken of any part of a day that is not a Business Day, save for the purposes of determining whether sufficient notice of a general meeting has been given.

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

**20. Directors' expenses**

Model Article 20 shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".

**21. Indemnity**

21.1 Subject to the provisions of and so far as may be permitted by, the Act:

21.1.1 every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director of the Company or any associated company is indemnified by the Company against;

- 21.1.1.1 any liability incurred by the Director to the Company or any associated company;
- 21.1.1.2 any liability incurred by the Director to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature; or
- 21.1.1.3 any liability incurred by the Director:
  - (a) in defending any criminal proceedings in which he is convicted;
  - (b) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him; or
  - (c) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief;

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in articles 21.1.1.1 and 21.1.1.3(b) applying.

- 21.1.2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer 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, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

- 21.2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each Director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company.

## **22. Objects**

The Company's objects are unrestricted.

23. **Liability of Shareholder**

The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them.

24. **Borrowing powers**

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 of it, and to issue debentures, debenture stocks and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

25. **Data protection**

25.1 Each of the Shareholders and Directors (from time to time) consent to the processing of their personal data by the Company, its Shareholders and Directors (each a "**Recipient**") for due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.

25.2 The personal data that may be processed for such purposes under this article 26 shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or any regulated authority, that personal data shall not be disclosed by a Recipient or any other person, except to:

25.2.1 a member of the same group as the Recipient ("**Recipient Group Companies**");

25.2.2 to employees, directors and professional advisors of that Recipient or the Recipient Group Companies, and

25.2.3 to funds managed by any of the Recipient Group Companies.

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

26. **Alternate directors**

26.1 Appointment and removal of alternate directors:

26.1.1 Any Director ("**Appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:

26.1.1.1 exercise that Director's powers; and

26.1.1.2 carry out that director's responsibilities in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.



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

26.1.3 The notice must:

26.1.3.1 identify the proposed alternate; and

26.1.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the Director giving the notice.

## **26.2 Rights and responsibilities of alternate directors**

26.2.1 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's Appointor(s).

26.2.2 Except as the articles specify otherwise, alternate directors:

26.2.2.1 are deemed for all purposes to be Directors;

26.2.2.2 are liable for their own acts and omissions;

26.2.2.3 are subject to the same restrictions as their Appointors; and

26.2.2.4 are not deemed to be agents of or for their Appointors,

and, in particular, each alternate director shall be entitled to receive notice of all meetings of Directors (but not meetings of committees of Directors) of which his Appointor is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him).

26.2.3 A person who is an alternate director but not, in the absence of such appointment, a Director:

26.2.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);

26.2.3.2 may participate in a unanimous decision of the Directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and

26.2.3.3 shall not be counted as more than one director for the purposes of articles 26.2.3.1 and 26.2.3.2.

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

26.2.5 An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company 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.

**26.3 Termination of alternate directorship**

An alternate director's appointment as an alternate terminates:

26.3.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

26.3.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;

26.3.3 on the death of the alternate's Appointor; or

26.3.4 when the alternate's Appointors appointment as a Director terminates.

26.4 A Director may not appoint any person to be an alternate director in respect of any committee of the Directors.