

Company Number: 05873287

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

ALLMAKES 4 X 4 LIMITED
("the Company")

Circulated on 22 MAY 2019 ("the Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company (**Directors**) propose that the resolution below is passed as a special resolution (**Resolution**)

Special Resolution

1. THAT the draft regulations attached to these Resolution be adopted as the articles of association of the Company (**Articles**) in substitution for, and to the exclusion of, the existing articles of association.

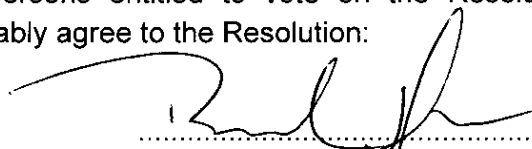
Agreement

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

The undersigned, being the persons entitled to vote on the Resolution on the Circulation Date, hereby irrevocably agree to the Resolution:

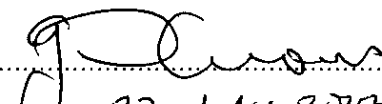
Signed by Richard Howe

Date


.....
22 MAY 2019
.....

Signed by Jeremy Chowns

Date


.....
22 MAY 2019
.....

Signed by Hugh Smith

Date

.....
.....
SATURDAY



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Signed by Richard Howe

Date

Signed by Jeremy Chowns

Date

Signed by Hugh Smith

Date

Julia Smith
(JULIA SMITH)
2/6/2019

H m Smith
(HILDA SMITH)
2/6/2019

NOTES

1. If you agree to the Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:

- **By Hand:** delivering the signed copy to Mr Joel Molloy, Clifton Ingram LLP, 22-24 Broad Street, Wokingham, Berkshire, RG40 1BA.
- **Post:** returning the signed copy by post to Mr Joel Molloy, Clifton Ingram LLP, 22-24 Broad Street, Wokingham, Berkshire, RG40 1BA.
- **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to joelmolloy@cliftoningram.co.uk.

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

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

3. Once you have indicated your agreement to the Resolution, you may not revoke your agreement.

4. Unless, by 28 days from the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolution, please ensure that your agreement reaches us before or during this date.

5. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members.

6. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

COMPANY NUMBER 05873287
THE COMPANIES ACT 1985
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

ALLMAKES 4 X 4 LIMITED (the Company)

(as adopted by Special Resolution passed on 2 JUNE 2019)

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1 PRELIMINARY

1.1 In these Articles, if not inconsistent with the context, the following expressions have the following meanings:-

Accounts means the audited accounts of the Company in each financial year;

Act means the Companies Act 1985 or any statutory re-enactment or modification thereof from time to time in force; and any reference to any section or provision of the Act shall be deemed to include a reference to any statutory re-enactment or modification thereof from time to time in force;

Agreed Form has the meaning set out in the Shareholders' Agreement;

Articles means these articles of association;

Associate means any person who in relation to a Shareholder is an Associated Company or a Family Member;

Associated Company means any body corporate more than 25% of the equity share capital of which is owned directly or indirectly by the Shareholder in question;

Available Profits means profits available for distribution within the meaning giving in Part VIII of the Act;

dividend date has the meaning set out in Article 3.6;

electronic communication has the meaning given to it in the Electronic Communications Act 2000;

Event of Default has the meaning set out in the Shareholders Agreement;

Exit Value means:

- (a) In the case of a Listing the aggregate value of the shares in the Company or Listco (as appropriate) in issue at the time of the Listing (excluding any shares issued as part of the Listing) calculated by reference to the price at which such shares are sold or offered for subscription on the Listing;
- (b) In the case of a Sale, the aggregate consideration in cash or otherwise paid by the buyer on the sale and, where the Sale is a sale of less than 100% of the Ordinary Shares, multiplied by 100/A where A is the percentage of Ordinary Shares sold on the sale

Family Member means the spouse (or widow or widower), mother, father, grandmother, grandfather, child or grandchild (including any step and adopted child and its issue) of any Shareholder who is a director or employee of any Group Company;

Family Trust means any:

- pension fund of a Shareholder;

- pension fund of Peter Warwick Hands;
- trust established by a Shareholder;
- trust established by Peter Warwick Hands;

provided that the only permitted beneficiaries (save for any charities specified as beneficiaries in default) of such pension funds and trusts shall be Family Members;

Group means the Company and its Subsidiaries for the time being and **Group Company** means any of them;

In writing means written, or produced by any visible substitute for writing, which is in or capable of being converted into non transitory form or partly one and partly another;

Issue Price means in relation to any Share, the price at which the relevant Share was issued (being the total amount paid up or credited as paid up thereon, including any share premium) which, in the case of the Preference Shares issued on or about the date of the adoption of these Articles is £1.70 per share;

Listco has the meaning given to it in the definition of Listing;

Listing means:

- the admission of any part of the Company's share capital to the Official List of UKLA and the grant of permission for the same to be traded on the Main Market of the London Stock Exchange plc, on AIM (being the market operated under that name by London Stock Exchange plc) or on any other recognised investment exchange (as defined by section 285 of the Financial Services and Markets Act 2000), or
- the transfer of all or a majority of the Company's issued Ordinary Shares on terms open to all Ordinary Shareholders to a company (Listco) the share capital of which is listed on a recognised investment exchange where all or part of the consideration received by the Shareholders is an issue of new shares in the capital of Listco whether by way of scheme of amalgamation, arrangement, reverse take-over or other transaction;

Market Value means at any redemption date, the average Net Profits for the last three financial years ended not later than 6 months prior to the redemption date multiplied by 7;

Net Profits means the consolidated profit on ordinary activities after taxation of the Group shown in the audited consolidated profit and loss account of the Company and its Subsidiaries for the relevant financial year but adjusted by:

- adding back (i) any payment or provision which has been made for any dividend on any share capital of the Company in respect of the financial year in question; and (ii) the transfer of any sum to reserve and any amortisation of goodwill; and
- disregarding extraordinary or exceptional items;

Non-selling Party has the meaning set out in Article 11.1;

Offer has the meaning set out in Article 7.8;

Offer Period has the meaning set out in Article 7.9;

Ordinary Shares means the ordinary shares of £1 each in the capital of the Company; and **Ordinary Shareholder** means a person who is registered as a holder of Ordinary Shares;

Permitted Transfer means a transfer made in accordance with Article 8;

Permitted Transferee means a person to whom Shares are transferred pursuant to Article 8;

Preference Dividend means the dividends (or either of them) expressed to be payable by Article 3.1;

Preference Shares means the cumulative redeemable preference shares of £1 each in the capital of the Company; and **Preference Shareholder** means a person who is registered as a holder of Preference Shares;

Profit Before Tax means the amount of the profit of the Group for the financial year in question (as disclosed by the statutory accounts for the year in question) before any provision or reserve shall have been made for or in respect of:

- (i) the payment of any dividend or other distribution on or in respect of any shares or the transfer of any sum to reserves;
- (ii) the amortisation or writing off of goodwill;
- (iii) the redemption of the Preference Shares;
- (iv) any extraordinary or exceptional items which reduce the said profit;

Proposing Seller has the meaning set out in Article 10.1;

Sale means either:

- (a) the completion of an agreement for the purchase of a majority of the Ordinary Shares to the extent not already owned by the buyer or persons connected to or acting in concert with the buyer, or the acceptance of an offer as a result of which the offeror becomes entitled or bound to acquire the majority of such Shares in accordance with the Companies Act 1985 (as amended) or the Articles; or
- (b) the sale of all or a substantial part of the business carried on by the Group;

Sale Price has the meaning set out in Article 7.5;

Sale Shares has the meaning set out in Article 7.3.1;

Share means a share in the capital of the Company; and **Shareholder** means a person who is registered as a holder of a Share;

Shareholders' Agreement means the shareholders' agreement entered into on the same date as the date of adoption of these Articles between (1) the Company, (2) the Ordinary Shareholders as at such date and (3) the Preference Shareholders, as amended from time to time;

Special Director(s) means the Director(s) appointed by the holders of Preference Shares in accordance with Articles 3.18 or 3.19;

Subsidiary means a subsidiary undertaking for the purposes of the Act and Subsidiaries shall be construed accordingly;

Table A means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985, as amended;

Tag Along Offer has the meaning set out in Article 11.1;

Transfer Entitlement has the meaning set out in Article 7.8;

Transfer Notice has the meaning set out in Article 7.3;

UKLA means the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the Financial Services and Markets Act 2000.

1.2 In these Articles:

1.2.1 use of the singular includes the plural and vice versa;

1.2.2 use of any gender includes the other genders;

1.2.3 any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;

1.2.4 headings are included for convenience only and do not affect the interpretation of these Articles;

1.3 Save as aforesaid any words or expressions contained in these Articles shall bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles became binding on the Company.

1.4 The Regulations contained in Table A shall apply to the Company except in so far as they are excluded by or are inconsistent with these Articles.

1.5 Regulations 2, 8, 17, 32(a), 39, 50, 64, 65-68, 73-78 inclusive, 80, 82, 87, 89, 90, 94, 95 and 118 of Table A shall not apply to the Company.

2 SHARE CAPITAL

2.1 The authorised share capital of the Company at the date of adoption of these Articles is £1,225,100 divided into 100 Ordinary Shares of £1 each, and 1,225,000 Preference Shares of £1 each.

3 RIGHTS ATTACHING TO SHARES

Income

Preference Dividend on the Preference Shares

- 3.1 The Preference Shares shall confer upon the Preference Shareholders as a class the right, in priority to any payment by way of dividend to any other Shareholders, to receive preferential dividends as follows:
- 3.1.1 if, in respect of any financial year ended on or before 12 April 2011, the Profit Before Tax is not less than £500,000, the Preference Shareholders shall be entitled to be paid a fixed cash dividend per Preference Share ("**Primary Preference Dividend**") at the rate of 4% per annum (net of any associated tax credit) calculated on the nominal price of the Preference Shares in issue from time to time. The Primary Preference Dividend (if any) shall be paid on the 31 January next following the end of the financial year in respect of which it is payable and shall not be cumulative; and
- 3.1.2 in respect of each financial year ended after 12 April 2011, the Preference Shareholders shall be entitled to be paid a fixed cumulative cash dividend per Preference Share ("**Secondary Preference Dividend**") of 4% per annum (net of any associated tax credit) calculated on the nominal price of the Preference Shares in issue from time to time. The first payment of the Secondary Preference Dividend will be on 31 January 2012 (and subsequent payments shall be made on 31 January in each succeeding year) and the Secondary Preference Dividend shall be deemed to accrue from day to day, beginning on the date of issue of the Preference Shares.
- 3.2 Any Preference Dividend shall, provided the Company has Available Profits and, in the case of the Primary Preference Dividend, that the other conditions for its payment have been satisfied and notwithstanding that the Secondary Preference Dividend is expressed to be cumulative, automatically become a debt due from and immediately payable by the Company on the relevant payment date specified in Article 3.1.
- 3.3 To the extent that any Preference Dividend is not paid in full on the due date for payment, the unpaid amount shall carry interest at the rate of 2% per annum above the base rate from time to time of Barclays Bank plc for the period from and including the due date for payment up to and including the date of actual payment and such interest shall accumulate and form part of the Preference Dividend to which it relates.
- 3.4 Where the Company is in arrears with the payment of any Preference Dividend, the first Available Profits arising thereafter shall be applied, in priority to all other dividend payments or other distributions, in or towards paying off all arrears (including interest thereon) of Preference Dividends.
- 3.5 The Company shall procure (so far as it is able) that each of its Subsidiaries which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, to its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of any Preference

Dividend, and the redemption of any Preference Shares on their due date for redemption as set out in Article 3.13.

- 3.6 Every Preference Dividend which shall become payable by the Company on any due date (**dividend date**) shall become due and payable on that dividend date ipso facto and without any resolution of the Directors or of the Company in general meeting, and notwithstanding anything to the contrary contained in Regulations 102 to 105 (inclusive) of Table A, and shall be payable to the holders of Preference Shares registered at that dividend date.

Other Distributions

- 3.7 After payment in full of any Preference Dividend and all, if any, arrears (including any interest thereon) on each, any profits resolved to be distributed in any financial year or period shall be distributed amongst the Ordinary Shareholders *pari passu* as one class.

Capital

- 3.8 On a return of assets on liquidation, a reduction of capital or otherwise, the surplus assets of the Company remaining after payment of its liabilities shall be applied in the following order of priority:

3.8.1 first, in paying to the Preference Shareholders any accruals and arrears (and any interest thereon) in relation to payments of Preference Dividends up to and including the date of payment, and thereafter an amount equal to the price which would be payable on redemption of such shares according to Article 3.16 as at the date of such return of assets, reduction of capital or otherwise;

3.8.2 next, the balance of such assets shall belong to and be distributed amongst the Ordinary Shareholders.

Voting Rights Attaching to Shares

- 3.9 The Shareholders shall be entitled to receive notice of and to attend either in person or by proxy any general meeting of the Company and to receive copies of any resolutions in writing proposed for adoption by the Company.

- 3.10 Each Ordinary Shareholder present at a general meeting of the Company in person, or by proxy, or by a duly authorised representative shall (save as specified below) be entitled on a show of hands to one vote and on a poll to one vote for every Ordinary Share held by him.

- 3.11 Save as set out in Article 3.12, the Preference Shares shall not carry any right to vote at general meetings of the Company.

- 3.12 If at any time (but only for so long as the circumstances subsist):

3.12.1 any monies payable:

- (a) in respect of the Preference Dividend, or
- (b) in respect of the redemption of the Preference Shares,

are in arrears (irrespective of whether the Company is restricted by the provisions of the Act from paying the arrears in respect of the Preference Dividend, or the redemption of the Preference Shares);

the Preference Shareholders present at a general meeting in person or by proxy or representative shall, as a group, be entitled on a show of hands or on a poll to such number of votes as is equal to 51% of the total number of votes which may be cast by all Shareholders present at such meeting in person or by proxy or representative, such votes being apportioned between the Preference Shareholders so present in proportion to the number of Preference Shares held by them.

Redemption of Preference Shares

3.13 The Company shall redeem all the Preference Shares then in issue on the earlier of:

3.13.1 17 October 2024; or

3.13.2 immediately prior to a Sale or Listing; or

3.13.3 in the event that the Company or any of the holders of Ordinary Shares are in material breach of the Shareholders' Agreement or these Articles and such breach is not remedied within 60 Business Days of the Company or the holders of the Ordinary Shares being notified of such.

3.14 The Company may at its discretion, and provided it is lawful to do so, at any time give not less than three months' notice in writing (**redemption notice**) to the Preference Shareholders of its intention to redeem all or some of the Preference Shares in issue on a date which shall be specified in the redemption notice.

3.15 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Shares to be redeemed shall be apportioned between the Preference Shareholders *pro rata* according to the number of Preference Shares held by them respectively (as nearly as practicable without involving fractions of shares) at the date fixed for redemption.

3.16 On the redemption date of the Company shall be bound to redeem the Preference Shares specified in the redemption notice or to be redeemed pursuant to Article 3.13 at a price per share which is the higher of:

3.16.1 £1.70; or

3.16.2 Market Value $\times \frac{2,082,500}{4,250,000} \times \frac{A}{2,082,500} \times \frac{1}{A}$

where A = the number of Preference Shares in issue immediately prior to the redemption date; or

3.16.3

$$\text{Exit Value} \quad \times \quad \frac{2,082,500}{4,250,000} \quad \times \quad \frac{A}{2,082,500} \quad \times \quad \frac{1}{A}$$

where A = the number of Preference Shares remaining in issue immediately prior to the redemption date;

and to pay any Preference Dividend and any arrears thereof (together with any interest thereon) up to and including the redemption date against delivery to the Company of the certificates for the Preference Shares to be redeemed; and the Company shall issue fresh certificates for any unredeemed Preference Shares free of charge.

- 3.17 The Preference Shares to be redeemed shall cease to rank for any Preference Dividend on the redemption date unless, on the certificates for the Preference Shares being tendered to the Company, it fails to effect such redemption.

Appointment of Special Director

- 3.18 The Preference Shareholders shall be entitled to appoint one person as a director of the Company and to remove from office such person so appointed and (subject to such removal) to appoint another person in his place.
- 3.19 If at any time there has been an Event of Default (but only for so long as an Event of Default subsists) the Preference Shareholders shall, notwithstanding any maximum number of directors fixed by or in accordance with these Articles, be entitled to appoint such number of Special Directors as shall give them the right to appoint a majority of the Board of Directors, and in addition, whilst such an Event of Default subsists the Preference Shareholders shall be entitled to appoint a majority of the Board of Directors of each Subsidiary.

4 CLASS RIGHTS

- 4.1 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 the consent in writing of the holders of 75% of the issued Shares of that class or with the sanction of an extraordinary resolution passed at a separate meeting of the holders of the Shares of that class but not otherwise. To every such separate meeting all the provisions of these Articles relating to general meetings of the Company shall apply, with any necessary modifications, except that:
- 4.1.1 the necessary quorum shall be one or more persons holding or representing by proxy at least one third in nominal amount of the issued Shares of the class (but so that if at any adjourned meeting of such holders a quorum is not present those Shareholders who are present shall be a quorum);
- 4.1.2 any holder of Shares of the class present in person or by proxy may demand a poll; and

- 4.1.3 the holders of Shares of the class shall, on a poll, have one vote in respect of every Share of the class held by them respectively.

5 ALLOTMENT OF SHARES

- 5.1 The Directors are authorised to exercise the powers of the Company to allot relevant securities and to grant any right to subscribe for, or convert any security into, relevant securities.
- 5.2 The maximum amount of relevant securities which may be so allotted by the Directors or in respect of which rights may be so granted by the Directors shall be the nominal amount of the unissued share capital of the Company at the date of the adoption of these Articles.
- 5.3 The authority conferred by Article 5.1 will expire on the date which is five years from the date of adoption of these Articles but may be revoked, varied or renewed by the Company in general meeting. The Directors may make an offer or agreement pursuant to such authority which will or may require relevant securities to be allotted after the authority has expired.

6 LIEN ON SHARES

- 6.1 The Company shall have a first and paramount lien on every Share registered in the name of any Shareholder (whether solely or jointly with others and whether or not it is a fully paid Share) for all monies (whether presently payable or not and whether by way of nominal value or premium) due to the Company from him or his estate, whether solely or jointly with any person (whether a Shareholder or not). The Directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article. The Company's lien on a Share shall extend to all dividends and other monies payable thereon.

7 TRANSFER OF SHARES

Registration of transfers

- 7.1 The transferor of a Share shall be deemed to remain the holder of the Share until the name of the transferee is entered in the register of members of the Company in respect thereof.
- 7.2 The Directors shall refuse to register any instrument of transfer of shares which has not been entered into in accordance with the provisions of these Articles and Regulation 24 of Table A shall be modified accordingly.

Pre-emption rights

Transfer notices

- 7.3 Subject to Article 8 (*Permitted Transfers*), any Shareholder who wishes to transfer any Shares or any interest in Shares, or grant any rights or options over or in respect of any Shares (**Seller**) shall give to the Company notice thereof in writing (**Transfer Notice**) and such notice shall specify:
- 7.3.1 the number and class of Shares the Seller wishes to transfer (**Sale Shares**), which may be all or part only of the Shares then held by the Seller;

7.3.2 whether or not the Seller has received an offer from a third party for the Sale Shares and if so the identity, and details of the business activities, of the third party and the price (including all relevant terms) offered for the Sale Shares;

and shall be accompanied by the share certificates for the Sale Shares or a suitable indemnity in lieu. Except as otherwise expressly provided in these Articles a Transfer Notice shall be irrevocable without the consent of all the Directors, who may impose such conditions to any consent as they think fit.

7.4 A Transfer Notice may (unless it is served or is deemed to have been served as a consequence of a Mandatory Transfer Event) specify that unless acceptances are received for all the Sale Shares then none of the Sale Shares shall be sold (an **all or nothing** provision).

Sale price

7.5 A Transfer Notice shall constitute the Company as the Seller's agent for the sale of the Sale Shares at a price (**Sale Price**) specified in the Transfer Notice relating to the Sale Shares or, if no such price is specified, agreed upon by the Seller and the Directors. In the absence of such agreement within 30 days after the service of the Transfer Notice, the Sale Price shall be the price which an independent valuer appointed by the Sellers and the Directors, or in the absence of such agreement such independent valuer as appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales for the purpose (acting as experts and not as arbitrators) shall certify to be in their opinion the fair value thereof as at the date of the Transfer Notice.

7.6 The valuer's certificate shall be final and binding for all purposes. The cost of obtaining the certificate shall be borne by the Seller.

7.7 If the valuers are asked to certify the Sale Price pursuant to Article 7.5 the Company shall within seven days of the issue of the certificate furnish a copy of it to the Seller and the Seller shall be entitled, by notice in writing given to the Company within 28 days of the same being served on him to withdraw the Transfer Notice.

Offer and allocation of the Sale Shares

7.8 Upon the Sale Price being fixed in accordance with Article 7.5, and provided that the Seller does not withdraw the Transfer Notice, the Directors shall offer the Sale Shares to Shareholders other than the Seller by notice in writing (the **Offer**) and the number of Shares so offered shall be the **Transfer Entitlement**. The Transfer Entitlements of Shareholders shall be determined so far as practicable as follows:

7.8.1 the Sale Shares shall be allocated in the following order amongst Shareholders:

- (a) first to Shareholders holding Shares of the same class as the Sale Shares; and
- (b) secondly, to the extent that any Sale Shares remain unallocated, to the remaining Shareholders; and

- 7.8.2 each allocation between the Shareholders of any class shall be made pro rata to the nominal value of Shares of that class held by each such Shareholder but shall not exceed the maximum which such Shareholder shall have expressed a willingness to buy.
- 7.9 The Offer shall be open for the period specified by the Directors (**Offer Period**), being not less than 7 nor more than 28 days from the date upon which the relevant Offer is made, during which time each Shareholder must state in writing to the Company the number of Sale Shares (if any) he would like to buy, and so that any Shareholder who fails to do so shall be deemed to have rejected the Offer made to him.
- 7.10 If on the expiry of the Offer Period the Directors shall not have received valid acceptances in respect of all the Sale Shares in accordance with the allocations set out in Article 7.8, the Directors shall, unless the Transfer Notice contained an all or nothing provision, allocate the Sale Shares amongst the Shareholders as follows:
- 7.10.1 to each Shareholder who has agreed to purchase Shares, his Transfer Entitlement or such lesser number of Transfer Shares for which he may have applied;
- 7.10.2 if any Shareholder has applied for less than his Transfer Entitlement, the excess shall be allocated to those Shareholders who have applied for more than their Transfer Entitlement in proportion to the number of Shares then held by each of them respectively (but without allocating to any Shareholder an aggregate number of Sale Shares greater than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this Article 7.10.2, disregarding any Shareholder whose application has already been satisfied in full.
- 7.11 If any of the Sale Shares shall not be capable of being offered under this Article 7 without involving fractions, such Sale Shares shall be allocated amongst the Shareholders in such proportions as the Directors shall think fit.

Completing the sale of the Sale Shares

- 7.12 Within 7 days of the conclusion of the Offer Period, or, if the Transfer Notice validly contained an all or nothing provision and valid acceptances have not been received in respect of all the Sale Shares, within 7 days of the Seller confirming that it wishes to proceed with the transfer of the Sale Shares, the Secretary shall notify the Seller of the number of Sale Shares taken up in the Offer and shall notify each offeree who has accepted the Offer (**Buyer**) in writing that a contract has been concluded for the sale and purchase of the Sale Shares allocated to the Buyer.
- 7.12.1 The Seller and the respective Buyers shall be bound to give effect to such contracts and shall within 14 days of notice being given in accordance with this Article 7.12 execute proper transfers of the Sale Shares and effect payment of the Sale Price for the respective Sale Shares.
- 7.12.2 The Seller shall sell the Sale Shares to the Buyers with full title guarantee, free from all charges, liens and encumbrances and with the benefit of all rights attaching to them (including all dividends and distributions) as at the date of the relevant contract.

7.13 If the Seller shall fail to comply with its obligation under Article 7.12 the Company:

- 7.13.1 may receive the purchase price and the Directors may appoint a person to execute instruments of transfer of the Sale Shares in favour of the Buyers who have accepted the Offer;
- 7.13.2 shall, subject to the relevant transfer being resubmitted by each such Buyer duly stamped, cause the names of those Buyers to be entered in the register of members of the Company as the holders of the Sale Shares; and
- 7.13.3 shall hold the purchase price in trust for the Seller.

The receipt of the Company shall be a good discharge to those Buyers and, after their names have been entered in the register of members of the Company under this Article, the validity of the transactions shall not be questioned by any person.

Partial acceptance of Offer in the case of all or nothing Transfer Notices

7.14 If an all or nothing provision is included in the Transfer Notice then upon completion of the Offer, if acceptances have not been received in respect of all of the Sale Shares, the Company shall forthwith in writing notify the Seller whereupon the Seller shall be entitled, by notice in writing:

- 7.14.1 to withdraw the Transfer Notice (in which event neither the Seller nor the Buyers will have any further obligations in respect of any offer made for the Sale Shares and the Company shall forthwith notify the Buyers accordingly); or
- 7.14.2 at any time within three months of notification, to transfer:
 - (a) all of the shares comprised in the Transfer Notice (in which event neither the Seller nor the Buyers will have any further obligations in respect of any Offer made for the Sale Shares and the Company shall forthwith notify the Buyers accordingly); or
 - (b) the balance of any Sale Shares not the subject of an accepted Offer (in which event the sale of Sale Shares already the subject of an accepted Offer shall proceed forthwith in accordance with Article 7.12),

to any person on a bona fide arm's length sale at any price not less than the Sale Price or, as the case may be, to any person otherwise entitled to shares on the death or bankruptcy of the Seller.

Failure to complete through no fault of the Seller

7.15 Where through no default of the Seller any purchase of Sale Shares is not duly completed, the Directors shall notify each Buyer of Sale Shares in respect of which there has been default in completion and if within seven days of such notice being given each such Buyer shall not have completed or fully completed the purchase of the respective Sale Shares, the Seller shall be entitled to sell such Sale Shares to any person on the terms mentioned in Article 7.14.

8 PERMITTED TRANSFERS

- 8.1 The restrictions on transfers contained in Article 7 (*Transfers of Shares*) shall not apply to:
- 8.1.1 any transfer of Shares by a Shareholder to an Associate provided that if such Associate ceases to be an Associate of the Shareholder of the Shares shall be transferred back to the Shareholder;
 - 8.1.2 any transfer of Shares by a Shareholder to trustees of a Family Trust;
 - 8.1.3 without prejudice to Articles 11 and 12 (*Tag Along Rights* and *Drag Along Rights*), any transfer of Shares made with the consent of the holders of 75% of the issued Shares, provided that this Article 8.1.3 shall not of itself enable Shares to be transferred more than once;
 - 8.1.4 any transfer of Shares pursuant to an offer made in accordance with Article 11 (*Drag Along*) or 12 (*Tag Along*);
 - 8.1.5 any transfer of Shares by trustees of a Family Trust in their capacity as trustees of that Family Trust on a change of trustees to the new trustees of that Family Trust;
 - 8.1.6 any transfer of Shares by trustees of a Family Trust in their capacity as trustees of that Family Trust to a person who has an immediate beneficial interest under the Family Trust;

and provided that no Shares shall be transferred to any person under 18.

- 8.2 If a Family Trust as constituted whose assets include Shares ceases to be a Family Trust, the trustees shall without delay notify the Company that such event has occurred and shall give a Transfer Notice in respect of those Shares and, if the trustees fail to so notify the Company or to give a Transfer Notice, they shall be deemed to have served the Company with a Transfer Notice in respect of those Shares.
- 8.3 No shares may be transferred under this Article 8 if they are the subject of a Transfer Notice given or deemed to be given pursuant to Article 7.3.

9 INFORMATION ABOUT SHAREHOLDINGS AND TRANSFERS

- 9.1 For the purpose of ensuring that a transfer of Shares is duly authorised under the Articles or that no circumstances have arisen whereby a Transfer Notice is required to be given, the Directors may from time to time require:
- 9.1.1 any Shareholder;
 - 9.1.2 the legal personal representatives of any deceased Shareholder; or
 - 9.1.3 any person named as transferee in any transfer lodged for registration; or
 - 9.1.4 any person who was, is, or may be an Associate of any of the foregoing,

to provide the Company with such information and evidence as the Directors may think fit including (but not limited to) the names and addresses and interests of all persons having interests in the shares from time to time registered in the Shareholder's name.

9.2 If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing require that a Transfer Notice be given in respect of the Shares concerned.

9.3 If such information or evidence is not provided to the satisfaction of the Directors within 14 days after request, the Directors:

9.3.1 shall refuse to register the transfer in question or (if there is no transfer in question) require by notice in writing to the holder of the relevant Shares that a Transfer Notice be given in respect of the Shares concerned; and

9.3.2 may serve a notice on the Shareholder or other person entitled or claiming to be entitled to be registered as the holder of the Shares stating that the Shareholder or such other person may not:

(a) attend or vote (personally or by proxy) at any general meeting or at any class meeting; or

(b) receive dividends on his shares,

until the evidence or information has been provided to the Directors' satisfaction.

10 REGISTRATION OF TRANSFERS

10.1 The Directors shall refuse to register a proposed transfer of any Share not made under Articles 7, 8, 11, or 12 unless the holders of all Shares consent to such proposed transfer.

10.2 The Directors may refuse to register a transfer of a Share on which the Company has a lien.

10.3 The Directors shall refuse to register an allottee or transferee of Shares or a person entitled to Shares by transmission if he is required by the Shareholders' Agreement to execute a deed of adherence under which he undertakes to adhere to and be bound by the provisions of the Shareholders' Agreement as if he were an original party to it, but he has not yet done so.

11 TAG ALONG RIGHTS

11.1 If any Shareholder, on his own or acting in concert (within the meaning of the edition of the City Code on Take-overs and Mergers current at the relevant time) with one or more other Shareholder, proposes to sell or transfer, in one or a series of related transactions, Shares equal to or greater than 50% of all the Ordinary Shares in issue at the time of the proposed sale or transfer (the **Proposing Seller**) to any person other than another Shareholder or a permitted transferee pursuant to Article 8 the Proposing Seller shall procure, before the sale or transfer, that each proposed purchaser makes a bona fide written offer (**Tag Along Offer**) to each of the other Shareholders (each a **Non-selling Party**) to buy that proportion of each Non-selling Party's Shares which is equal to the proportion represented by the number of Shares which the Proposing Seller is proposing to sell as against all the Shares held by the

Proposing Seller at the time of the proposed sale or transfer for (i) in the case of Ordinary Shares the same price per Share and (ii) in the case of Preference Shares the price per share which would be payable by the Company on redemption calculated in accordance with Articles 3.16 and otherwise on the same terms and conditions as those applying to the proposed sale or transfer by the Proposing Seller of his Shares.

11.2 Each Tag Along Offer shall specify:

11.2.1 the price for the relevant Shares and any other principal terms and conditions of the proposed sale or transfer; and

11.2.2 the period (being not less than 25 days from service of the Tag Along Offer) for acceptance by each Non-selling Party.

11.3 If within the period specified in each Tag Along Offer any Non-selling Party accepts the offer in writing, then the Proposing Seller shall procure that the sale by that Non-selling Party of his relevant Shares shall proceed on the same financial terms (including price per Share) and at the same time as the sale of the Proposing Seller's Shares.

11.4 Any acceptance by a Non-selling Party of a Tag Along Offer shall be irrevocable, but no sale of that Non-selling Party's Shares pursuant to its acceptance shall take place unless and until the sale of the Proposing Seller's Shares is completed.

11.5 The Tag Along rights contained in this Article 11 shall not apply in respect of the Preference Shares where the proposed transfer constitutes a Sale or Listing and the Preference Shares are redeemed immediately prior to such Sale or Listing in accordance with Article 3.13.

12 DRAG ALONG RIGHTS

12.1 The provisions of this Article 12 shall apply if any Shareholder (on his own or acting in concert with one or more other Shareholders) each a **Selling Shareholder**) proposes to sell or transfer Ordinary Shares (**Sale Shares**) that in aggregate constitute 75% or more of all the Ordinary Shares in issue at the time of the proposed sale or transfer as part of a bona fide arm's length transaction to any person other than another Shareholder or a permitted transferee pursuant to Article 8.

12.2 The Selling Shareholder may (but shall not be obliged to) give to the Company not less than 25 days' prior written notice of that proposed sale or transfer. That notice (**Sale Notice**) will include details of the Sale Shares and the proposed price per Sale Share to be paid by the proposed buyer (**Proposed Buyer**), details of the Proposed Buyer and the place, date and time of completion of the proposed purchase being a date not less than 25 days from service of the Sale Notice (**the Drag Along Completion**). Any Sale Notice received by the Company less than 25 days before the proposed date of the Drag Along Completion shall be ineffective.

12.3 Immediately upon receipt of a Sale Notice, the Company shall give notice in writing (**Drag Along Notice**) to each of the Shareholders (other than the Selling Shareholder) giving the details contained in the Sale Notice and requiring each of them to sell to the Proposed Buyer at the Drag Along Completion all Shares held by them (and any of their permitted transferees to which Shares have been transferred pursuant to Article 8), provided that the Selling

Shareholder may withdraw a Sale Notice at any time prior to the Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect. The Company is not required to but may, if the Selling Shareholder so requests, give a Drag Along Notice to Preference Shareholders where the proposed sale or transfer constitutes a Sale or Listing and the Preference Shares are redeemed immediately prior to such Sale or Listing in accordance with Article 3.13.

12.4 Each Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the Shares referred to in his Drag Along Notice to the Proposed Buyer on the Drag Along Completion at (i) in the case of Ordinary Shares the highest price per Sale Share proposed by the Proposed Buyer, or, if higher, at which Shares have been purchased by the Proposed Buyer or any person acting in concert with the Proposed Buyer during the period of six months prior to the date of the Sale Notice and (ii) in the case of Preference Shares, the price per share which would be payable by the Company on redemption calculated in accordance with Articles 3.16 and otherwise on terms no less favourable than those applicable to the sale of Shares by the Selling Shareholder.

12.5 If any of the Shareholders or their permitted transferees pursuant to Article 8 (each a **Defaulting Shareholder**) shall fail to comply with the terms of Article 12.4 in any respect:

12.5.1 the Company shall be constituted the agent of each Defaulting Shareholder for the sale of his Shares (together with all rights then attached to those Shares) referred to in his Drag Along Notice in accordance with that notice;

12.5.2 the Board may authorise a Director to execute and deliver on behalf of each Defaulting Shareholder the necessary transfers;

12.5.3 the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Buyer to be registered as the holder of such Shares;

12.5.4 the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the Proposed Buyer (who shall not be bound to see to the application of those monies);

12.5.5 after the Proposed Buyer has been registered in purported exercise of the powers in this Article 12.5, the validity of the proceedings shall not be questioned by any person; and

12.5.6 the Company shall not pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the shares subject to the Drag Along Notice, have delivered a share certificate or a suitable indemnity and the necessary transfers to the Company.

13 PROCEEDINGS AT GENERAL MEETINGS

At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of

hands) demanded by the Chairman or by any Shareholder present in person or by proxy. *Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution. The demand for a poll may be withdrawn.*

14 GENERAL MEETING ON MEMBERS' REQUISITION

- 14.1 In the event that a meeting of the Company is requisitioned in accordance with the Act, the requisition must state the objects of the meeting, and must be signed by or on behalf of the requisitionists and deposited at the registered office of the Company, and may consist of several documents in like form each signed by or on behalf of one or more requisitionists.
- 14.2 If the Directors do not within 7 days from the date of the deposit of the requisition proceed to convene a meeting in accordance with this Article 14, the requisitionists, or any of them representing more than one half of the total voting rights of all of them, may themselves convene a meeting, but any meeting so convened shall not be held after the expiration of three months from that date.
- 14.3 A meeting convened under this Article by requisitionists shall be convened in the same manner, as nearly as possible, as that in which meetings are to be convened by Directors.
- 14.4 Any reasonable expenses incurred by the requisitionists by reason of the failure of the Directors to convene a meeting in accordance with this Article shall be repaid to the requisitionists by the Company, and any sum so repaid shall be retained by the Company out of any sums due or to become due from the Company by way of fees or other remuneration in respect of their services to such of the Directors as were in default.

15 DIRECTORS: NUMBER AND APPOINTMENT OF DIRECTORS

- 15.1 The Directors shall not be liable to retirement by rotation and accordingly there shall be inserted the words *"shall then be eligible for re-election"* in place of the words *"and shall not be taken into account in determining the Directors who are to retire by rotation at the meeting"* in Regulation 79 of Table A and the final sentence of Regulation 84 of Table A shall not apply to the Company.
- 15.2 Subject to any ordinary resolution of the Company and Article 3.19, the number of Directors (other than alternate Directors) shall not be more than six but need not be more than two. If and for so long as there is a sole director, he may exercise all the powers and authorities vested in the directors by these Articles or Table A. No shareholding qualification for Directors or alternate Directors shall be required, but nevertheless they shall be entitled to attend and speak at any general meeting of the Company.
- 15.3 A person may be appointed a Director notwithstanding that he shall have attained the age of 70 years and no Director shall be liable to vacate office by reason of his attaining that or any other age.

- 15.4 The Chairman of the Directors shall have no second or casting vote and the provisions of Regulation 88 of Table A shall be amended accordingly.

16 ALTERNATE DIRECTORS

- 16.1 Each Director (other than an alternate Director) shall have the power at any time to appoint as an alternate Director either another Director or any other person approved for that purpose by a resolution of the Directors (such approval not to be unreasonably withheld or delayed), and, at any time, to terminate such appointment. Every appointment and removal of an alternate Director shall be in writing signed by the appointor and (subject to any approval required) shall (unless all the Directors agree otherwise) only take effect upon receipt of such written appointment or removal at the registered office of the Company.
- 16.2 An alternate Director so appointed shall not be entitled as such to receive any remuneration from the Company 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, but shall otherwise be subject to the provisions of these Articles with respect to Directors. An alternate Director shall during his appointment be an officer of the Company and shall not be deemed to be an agent of his appointor.
- 16.3 An alternate Director shall (subject to his giving to the Company an address at which notice may be served upon him) be entitled to receive notices of all meetings of the Directors and of any committee of the Directors of which his appointor is a Shareholder and to attend and to vote as a Director at any such meeting at which his appointor is not personally present and generally in the absence of his appointor to perform and exercise all functions, rights, powers and duties as a Director of his appointor and to receive notice of all general meetings. Regulation 66 of Table A shall not apply.
- 16.4 The appointment of an alternate Director shall automatically determine on the happening of any event which if he were a Director would cause him to vacate such office or if his appointor shall cease for any reason to be a Director otherwise than by retiring and being re-appointed at the same meeting. Regulation 67 of Table A shall not apply.
- 16.5 A Director or any other person may act as alternate Director to represent more than one Director and an alternate Director shall be entitled at meetings of the Directors of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present. The last sentence of each of Regulations 88 and 89 of Table A shall not apply.

17 REMUNERATION OF DIRECTORS

- 17.1 Each of the Directors shall be entitled to fees for his services at such rate as may from time to time be determined by the Directors or by a committee authorised by the Directors. The Directors shall also be entitled to be repaid by the Company all such reasonable expenses (including travelling, hotel and incidental expenses) as they may incur in attending meetings of the Directors, or of committees of the Directors, or general meetings, or separate meetings of the holders of any class of shares or which they may otherwise properly incur in or about the business of the Company.

18 POWERS OF DIRECTORS

- 18.1 The Directors may (by establishment or maintenance of schemes or otherwise) pay or procure the payment of pensions, annuities, allowances, gratuities and superannuation or other benefits to or for the benefit of past or present Directors or employees who are or were at any time employed by or in the service of the Company or held any place of profit with the Company or any of its subsidiaries or any company associated with, or any business acquired by, any of them or to or for the benefit of persons who are or were related to or dependants of any such Directors or employees and may make contributions to any fund and pay premiums for the purchase or payment of any such pension, annuity, allowance, gratuity, superannuation or other benefit or may make payments for or towards the insurance of any such person.

19 PROCEEDINGS OF THE DIRECTORS

- 19.1 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate its meetings as they think fit. A meeting of the Directors at which a quorum is present shall be competent to exercise all powers, authorities and discretions for the time being vested in or exercisable by the Directors. Questions arising at any meeting shall be determined by a majority of votes. A Director may, and the Secretary on the requisition of a Director shall, call a meeting of the Directors. Notice of any meeting of the Directors shall be in writing and shall be given to all Directors, whether within or outside the UK at the address specified by such Directors for the service of such notice, not less than seven days before the proposed date of the meeting. A Director may waive notice of any meeting either before or after the meeting.

- 19.2 The quorum necessary for the transaction of business of the Directors shall be two, at least one of whom shall be a Special Director if at the time of the meeting a Special Director has been appointed.

- 19.3 If a quorum is not present or ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place and, provided that at least one Special Director is present at such adjourned meeting, such Directors as may be present at such adjourned meeting shall constitute a quorum.

- 19.4 Any or all of the Directors may take part in a meeting of the Directors:

19.4.1 by way of a conference telephone or similar equipment that allows all persons participating in the meeting to hear and speak to each other; or

19.4.2 by a series of telephone calls from the chairman of the meeting.

Each Director taking part in this way shall be counted as being present at the meeting. A meeting which takes place by a series of calls from the chairman shall be treated as taking place where the chairman is calling from. Otherwise meetings shall be treated as taking place where most of the participants are or, if there is no such place, where the chairman of the meeting is.

- 19.5 All acts done by any meeting of the Directors, or of a committee or sub-committee of the Directors, or by any person acting as a Director or by an alternate Director, shall,

notwithstanding it be afterwards discovered that there was some defect in the appointment or continuance in office of any Director, alternate Director or person acting as aforesaid, or that they or any of them were disqualified, or had vacated office or were not entitled to vote, be as valid as if every such person had been duly appointed or had duly continued in office and was qualified and had continued to be a Director or, as the case may be, an alternate Director and had been entitled to vote.

20 INTERESTS OF DIRECTORS

- 20.1 So long as he shall have complied with Regulation 85 of Table A and Section 317 of the Act, a Director (including an alternate Director) shall be entitled to vote on any resolution in respect of a contract or proposed contract in which he has an interest in any way, whether directly or indirectly, and shall be taken into account for the purpose of deciding whether a quorum is present and may retain for his own absolute use and benefit all profits and advantages accruing to him. Regulation 94 and 95 of Table A shall be modified accordingly.

21 NOTICES

- 21.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the meeting convened by such notice.

- 21.2 A notice may be given:

21.2.1 by the Company to any Shareholder or Director either personally or by sending it by first class post (airmail if abroad) or by fax or other means of electronic communications to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him; or

21.2.2 to the Company for the purpose of these Articles by like method at its registered office for the time being.

- 21.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. A notice contained in an electronic communication shall be deemed to be effected at the time the electronic communication was sent.

22 INDEMNITY AND INSURANCE

- 22.1 Every Director or other officer of the Company shall be entitled to be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation thereto including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under Section 727 of the Act in which relief is granted to him by the Court and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation

thereto. But this Article shall only have effect insofar as its provisions are not avoided by the Act.

- 22.2 Without prejudice to the provisions of Article 22.1 the Directors shall have power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time directors, officers or employees or auditors of the Company, or of any other company which is its holding company or in which the Company or such holding company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or of any subsidiary undertaking of the Company or of any such other company, or who are or were at any time trustees of any pension fund in which employees of the Company or of any such other company or subsidiary undertaking are interested, including (without prejudice to the generality of the foregoing) insurance against any liability incurred by such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or in the exercise or purported exercise of their powers and/or otherwise in relation to their duties, powers or offices in relation to the Company or any such other company, subsidiary undertaking or pension fund.