

**The Companies Acts 2006**  
**Private Company Limited by Shares**

**Articles of Association**  
**of**  
**BARRETT CORP & HARRINGTON LTD**  
(Company number: 05909758)

**(adopted by Special Resolution dated 14 September 2023)**

Third Floor  
Two Colton Square  
Leicester  
LE1 1QH  
[www.shma.co.uk](http://www.shma.co.uk)

Ref: 873429.12.LB

**SHAKESPEARE**

**The Companies Act 2006**  
**Private Company Limited by Shares**  
**Articles of Association**  
**of**  
**BARRETT CORP & HARRINGTON LTD**

---

Introduction

**1 Interpretation**

1.1 In these Articles, unless the context otherwise requires:

**Act:** means the Companies Act 2006;

**appointor:** has the meaning given in Article 11.1;

**Articles:** means the company's articles of association for the time being in force;

A Share: an A ordinary share of £0.01 in the capital of the Company;

B Share: a B ordinary share of £0.01 in the capital of the Company intended for the benefit of employees in the Company;

**Bad Leaver:** a Leaver who is not a Good Leaver;

**business day:** means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

**Board:** the board of directors;

**Conflict:** has the meaning given in Article 7.1;

Control: shall have the meaning set out in section 416 of the Income and Corporation Taxes Act 1988 and a 'change of control' when applied to any Shareholder shall be deemed to have occurred if any person or persons who control such party at the date of adoption of these Articles (or the date such party becomes bound by the terms of any Relevant Agreement (if later)) subsequently cease to control it or if any person or persons subsequently acquire control of it.

C Share: a C ordinary share of £0.01 in the capital of the Company;

D Share: a D ordinary share of £0.01 in the capital of the Company;

E Share: an E ordinary share of £0.01 in the capital of the Company;

Family Member: a direct relative of a Shareholder;

F Share: an F ordinary share of £0.01 in the capital of the Company;

Good Leaver: a Leaver who leaves the Company:

- (i) as a result of voluntary cessation of employment by such person; or
- (ii) as a result of death, retirement on medical grounds; or

- (iii) as a result of dismissal of such person where such dismissal is found to have been unfair by an employment tribunal or any appellate body thereof; or
- (iv) as a result of redundancy.

**Group:** in relation to a company, that company, any subsidiary or any holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group;

**G Share:** a G ordinary share of £0.01 in the capital of the Company;

**H Share:** an H ordinary share of £0.01 in the capital of the Company;

**Investor:** T & B Group Ltd (company number 11048075);

**Leaver:** any person who ceases for any reason to be a director or employee of the Company (other than if the board of Directors has determined that such person shall not be determined to be a leaver);

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

**Notice Date:** the date on which a Transfer Notice was given or deemed to have been given;

**Ordinary Share:** an ordinary share of £0.01 in the capital of the Company;

**Prescribed Period:** the period during which Sale Shares shall be offered and can be accepted by other members, being 4 weeks from the Notice Date;

**Proposing Transferor:** the holder of Shares proposing to transfer any Shares in the Company;

**Relevant Agreement:** any agreement between the Shareholders of the Company from time to time regulating their relationship and the conduct of the Company's affairs;

**Relevant Event:** any of the following:

- (i) the material breach by a Shareholder of any obligations under any Relevant Agreement and the failure to remedy the breach, if capable of remedy, within 30 days after being given notice by any other Shareholder to do so;
- (ii) any Shareholder (being a company) shall go into liquidation whether compulsory or voluntary (except for the purposes of a bona fide reconstruction or amalgamation with the consent of the other parties, such consent not to be unreasonably withheld or delayed) or any party shall have an administrator appointed, or shall have a receiver, administrative receiver or manager appointed over any part of its assets or undertaking;
- (iii) any Shareholder (being an individual) shall be adjudged bankrupt or shall die or become a patient for the purposes of any statute relating to mental health;
- (iv) the illness of a Shareholder leaving them unable to work for a period of 9 months;
- (v) there shall be a change of control of any Shareholder (being a company).

**Sale Shares:** the Shares which the Proposing Transferor intends to transfer;

Share: any A Share, B Share, C Share, D Share, E Share, F Share, G Share, H Share or Ordinary Share;

Shareholder: a holder of the Shares from time to time.

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

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - 1.5.1 any subordinate legislation from time to time made under it; and
  - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 1.9 Article 7 of the Model Articles shall be amended by:
  - 1.9.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
  - 1.9.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".

- 1.13 Article 29 of the Model Articles 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".
- 1.14 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".

## Directors

### 2 **Unanimous decisions**

- 2.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision 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.
- 2.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

### 3 **Calling a directors' meeting**

- 3.1 Any director may call a directors' meeting by giving 2 business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.
- 3.2 Notice of a directors' meeting shall be given to each director in writing.

### 4 **Quorum for directors' meetings**

Subject to Article 3, the quorum for the transaction of business at a meeting of directors is any three eligible directors.

### 5 **Casting vote**

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote.

### 6 **Transactions or other arrangements with the company**

- 6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
  - 6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
  - 6.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

- 6.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- 6.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 6.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 6.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

## 7 **Directors' conflicts of interest**

- 7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**").
- 7.2 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- 7.3 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.4 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## 8 **Records of decisions to be kept**

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

9 **Number of directors**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one and shall not be more than a maximum of six.

10 **Appointment of directors**

10.1 In any case where, as a result of death or bankruptcy, the company has no Shareholders and no directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

10.2 A director shall not be required to hold any share qualification. All directors and alternate directors shall be entitled to receive all notices of and other communications relating to and to attend and speak at any general meeting of the Company and at any separate meeting of the holder of any class of shares in the Company

11 **Appointment and removal of alternate directors**

11.1 Any director (“**appointor**”) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

11.1.1 exercise that director's powers; and

11.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

11.2 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. The notice must:

11.2.1 identify the proposed alternate; and

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

12 **Rights and responsibilities of alternate directors**

12.1 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.

12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be directors;

12.2.2 are liable for their own acts and omissions;

12.2.3 are subject to the same restrictions as their appointors; and

12.2.4 are not deemed to be agents of or for their appointors

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

12.3 A person who is an alternate director but not a director:

12.3.1 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);

12.3.2 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

12.3.3 shall not be counted as more than one director for the purposes of Articles 12.3.1 and 12.3.2.

12.4 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.

12.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

**13 Termination of alternate directorship**

13.1 An alternate director's appointment as an alternate terminates:

13.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

13.1.2 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;

13.1.3 on the death of the alternate's appointor; or

13.1.4 when the alternate's appointor's appointment as a director terminates.

**14 Secretary**

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.



## Shares

### 15 Share capital

- 15.1 The issued share capital of the Company at the date of adoption of these Articles is £84.03 divided into 7,996 Ordinary Shares, 1 A Share, 400 B Shares, 1 C Share, 1 D Share, 1 E Share, 1 F Share, 1 G Share and 1 H Share.
- 15.2 Except as otherwise provided in these Articles, the A Shares, B Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares and Ordinary Shares shall rank pari passu in all respects.
- 15.3 The A Shares, B Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares and Ordinary Shares shall not constitute different classes of shares for the purposes of the Act.
- 15.4 The Shares shall have, and be subject to the following rights and restrictions:

#### Voting:

- 15.4.1 Subject to article 15.4.2 On a show of hands every Shareholder holding A Shares, C Shares, , E Shares, F Shares, G Shares, H Shares or Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a representative not being himself a Shareholder shall have one vote, and on a poll every Shareholder who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every Share of which he is the holder.
- 15.4.2 The holder of the G Shares shall have no entitlement to attend and/or vote at any general meeting of the Company in respect of the G Shares whilst both the holders of the F Shares and H Shares at the date of adoption of these Articles is alive. If the holder of either the F Shares or H Shares dies then the voting rights attaching to the G Shares set out in article 15.4.1 shall apply. If neither of the holders of the F Shares or H Shares at the date of adoption of these articles are alive then the holder of the G Shares shall have two votes for every share of which it is a holder.
- 15.4.3 The holders of the D Shares and B Shares shall have no entitlement to attend and/or vote at any general meeting of the Company.

#### Dividends

- 15.4.4 As regards income, the profits available for distribution in respect of any accounting period of the Company shall be applied by the Directors in their absolute discretion as between the holders of the A Shares, B Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares and Ordinary Shares.

#### Capital:

- 15.4.5 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied as follows:

- (a) first in paying to the holders of the A Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares, Ordinary Shares and B Shares (pari passu as if the same constituted one class of share) the sum paid up on each such share (including any premium); and
- (b) the balance of such assets shall be distributed to the holders of the A Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares, Ordinary Shares and B Shares as follows:

Number of B Shares in issue	Balance of assets (%) distributed to holders of the A Shares, C Shares, D Shares, E Shares, F Shares, G Shares, H Shares, and Ordinary Shares (as if the same constitute one class of shares)	balance of assets (%) distributed to holders of the B Shares
1,200	87	13
1,000	89	11
800	91	9
600	93	7
400	95.3	4.7
200	97.6	2.4

## 16 Unissued Shares

In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where the consent to that allotment of every Shareholder has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.

## 17 Further issues of shares: authority

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

17.1.1 offer or allot;

17.1.2 grant rights to subscribe for or to convert any security into; or

17.1.3 otherwise deal in, or dispose of,

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

17.2 The authority referred to in Article 17.1:

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

## **18 Transfer of Shares**

- 18.1 The right to transfer Shares or any interest in Shares in the Company shall be subject to the following restrictions and provisions but shall not apply in relation to a transfer of Shares between existing Shareholders, personal representatives, Family Members or any company within the same Group in the case of a corporate shareholder.
- 18.2 References in this Article to transferring Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of Shares.
- 18.3 The Proposing Transferor shall be required before effecting, or purporting to effect the transfer, to give a Transfer Notice that he desires to transfer the Sale Shares and shall state in the Transfer Notice the identity (if any) of the person to whom the Proposing Transferor desires to transfer the legal or beneficial interest in the Sale Shares, the number and class of Shares which the Proposing Transferor wishes to transfer.
- 18.4 The Transfer Notice shall constitute the Company as the Proposing Transferor's agent for the sale of the Sale Shares (together with all rights then attached to them) at the Fair Value (as defined in Article 18.5) during the Prescribed Period to any member. The Transfer Notice shall include such other details of the proposed transfer as the Board may in its absolute discretion determine and shall not be revocable except with the consent of the Board.
- 18.5 The Fair Value shall be the price which the Company's accountants (or in default of them so acting such firm of accountants as shall be determined by the board of Directors) (acting as experts and not as arbitrators) shall certify in their opinion to be the fair value at that date as between a willing seller and a willing buyer at arms length on a going concern basis taking into account the number of Shares offered for sale and the proportion they form of the total number of issued Shares or of any class of Shares (until such time as any Shareholder owns 51% of the Ordinary Shares in the capital of the Company at which time the number of shares offered for sale shall be disregarded). Such determination shall be final and binding on the Shareholders (in the absence of fraud or manifest error). Provided that if the Proposing Transferor only holds Ordinary Shares in the capital of the Company and no other Shares then the Fair Value shall be reduced by 50% unless such Shareholder holds at least 51% of the Ordinary Shares in the capital of the Company.
- 18.6 Within 14 days of receipt of a Transfer Notice the directors shall instruct the Company's accountants to ascertain in writing the Fair Value of any Share (on the

same basis as they have valued Shares as at the date of adoption of these articles and subject to a minimum RPI increase) contained in such notice and within 7 days of receipt of the Fair Value of the Shares from the Company's accountants (or in default of them so acting such firm of accountants as shall be determined by the board of Directors) the directors shall by notice in writing offer the Sale Shares to all members holding Shares (other than the holder of the Sale Shares any member who has served or is deemed to have served a Transfer Notice and any member to whom under Article 18.11 Shares may not be transferred) for purchase at the Fair Value on the terms that in case of competition the Sale Shares shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of Shares. Such offer:

- 18.6.1 shall stipulate a time not exceeding 28 days within which it must be accepted or in default will lapse; and
- 18.6.2 may stipulate that any members who desire to purchase a number of Sale Shares in excess of the proportion to which each is entitled ("Pro-Rata Entitlement") shall in their acceptance state how many excess Sale Shares they wish to purchase and any Shares not accepted by other members shall be used for satisfying the requests for excess Sale Shares pro rata to the existing Shares held by such members making such requests.
- 18.7 Upon the expiry of the said offer period, the directors shall allocate the Shares in the following manner:
  - 18.7.1 to each member who has agreed to purchase Shares, his Pro-Rata Entitlement or such lesser number of Shares for which he may have applied;
  - 18.7.2 if any member has applied for less than his Pro-Rata Entitlement, the excess in proportion to the members who have applied for any part of such excess in proportion to the number of Shares then held by them respectively (but without allocating to any member a greater number of Shares than the maximum number applied for by him) and any remaining excess shall be apportioned by applying this Article 18.7.2 without taking account of any member whose application has already been satisfied in full.
- 18.8 Any Sale Shares not accepted by any of the members pursuant to the foregoing provisions of these Articles by the end of the period under Article 18.6 may within the following 28 days be offered by the board of Directors to such persons as they may think fit for purchase at the Fair Value or Article 18.11.
- 18.9 If the Company shall within the Prescribed Period find members ("a Purchaser") to purchase the Sale Shares or any of them and give notice in writing thereof to the proposing transferor he shall be bound, upon payment to him of the Fair Value, to transfer such Shares free of any liens, charges or encumbrances whatsoever to the respective Purchaser(s). Every notice given by the Company under this Article 18.9 shall state the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by him and the purchase shall be completed at a place and time to be appointed by the board of Directors not being less than three days nor more than ten days after the date of the notice.

- 18.10 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the board of Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the proposing transferor and cause the Purchaser(s) to be registered as the holder of such Shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his Share certificate(s) or a suitable indemnity in respect of any lost certificates and the necessary transfers to the Company.
- 18.11 If the Company shall not within the Prescribed Period find Purchasers willing to purchase any or all of the Sale Shares and gives notice in writing thereof to the proposing transferor, or if the Company shall within the Prescribed Period or following 28 days give to the Proposing Transferor notice in writing that the Company has no prospect of finding Purchasers, the Proposing Transferor at any time during a period of 45 days after the end of the 28 days following the Prescribed Period shall be at liberty to transfer those Sale Shares for which the Company has not within the Prescribed Period or following 28 days given notice that it has found (or has given notice that it has no prospect of finding) Purchasers to any person by way of a bona fide sale at any price not being less than the Fair Value provided that the board of Directors may require to be satisfied that the Sale Shares are being transferred under this Article pursuant to a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate or allowance whatsoever to the purchaser and if not so satisfied may refuse to register the instrument of transfer.
- 18.12 No Share shall be issued or transferred to any bankrupt person or person of unsound mind.
- 18.13 Any Shares in the Company transferred to another Shareholder who only holds Ordinary Shares in the capital of the Company shall upon registration of such transfer automatically be redesignated as Ordinary Shares.

## 19 Tag Along

- 19.1 Notwithstanding any other provision contained in these Articles no sale or transfer of Shares ("**the specified Shares**") conferring the right to vote at all general meetings of the Company which would result if made and registered in the transferee obtaining a significant interest in the Company, be made or registered without the previous written consent of all Shareholders (having the right to vote) unless, before the transfer is lodged for registration, the proposed transferee or his nominee has made an offer (stipulated to be open to acceptance within 21 days) to purchase at the specified price (as herein defined) the whole of the Shares registered in the name of the Shareholder who has withheld his consent to such sale or transfer which offer the Shareholder shall be bound within 21 days after the making of such offer to him either to accept or reject in writing (and in default of so doing shall be deemed to have rejected the offer).
- 19.2 For the purposes of Article 19.1 the following expressions shall have the following meanings:-

19.2.1 “**a significant interest**” shall mean Shares held by a Shareholder or Shareholders conferring in the aggregate 51 per cent or more of the total voting rights conferred by all the Shares for the time being in issue conferring the right to attend and vote at all general meetings of the Company. All other regulations of the Company relating to the transfer of Shares and the right to registration of transfers shall be read subject to the provisions of this Article; and

19.2.2 “**the specified price**” shall mean in respect of any Shares a price per Share at least equal to that offered or paid or payable by the proposed transferee or his nominees for the Shares to the holders thereof 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 an addition to the price paid or payable for the specified Shares.

19.3 In the case of disagreement the ascertainment of the specified price shall be referred to a firm the Company’s accountants. Any decision given by the Company’s accountants shall be given as an expert and not as arbitrator and shall, in the absence of manifest and material error, be final and binding on the relevant parties.

## 20 **Compulsory Transfers**

20.1 A person entitled to a Share in consequence of a bankruptcy of a member shall be bound at any time, if and when required in writing by the Board to do so, give a Transfer Notice in respect of such Shares and such transfer shall be regarded as a deemed transfer and the provisions of Article 18 shall apply.

20.2 Upon the happening of any Relevant Event, if a majority of the directors so resolve, the member in question shall be deemed to have given a Transfer Notice in respect of all the Shares as shall then be registered in the name of such member and subject to the provisions of Article 20.3, the provisions of Article 18 shall apply and the transferor shall be treated as a Bad Leaver for the purposes of valuing their Shares.

20.3 If a Shareholder becomes a Leaver at any time then he shall be deemed to have served a Transfer Notice in respect of his entire Shareholding in the Company on the date he became a Leaver (or such later date as the Board shall specify), and the provisions of Article 18 shall apply, except that the price payable in respect of such Shares shall be:

20.3.1 if a Leaver is a Bad Leaver the price payable in respect of such Shares notwithstanding the provisions of Article 18 shall be 50% of the Fair Value of each Share. The provisions of this Article shall apply until such time as any single Shareholder holds 51% of the Ordinary Shares in the capital of the Company;

20.3.2 If a Leaver is a Good Leaver the price payable in respect of such Shares shall be the price determined in accordance with the provisions of Article 18

20.4 If a Transfer Notice is deemed to be given pursuant to Article 20.3, then the Company shall forthwith give written notice of such occurrence (such notice to include details of all the Shares to which such Transfer Notice relates) to each member and the provisions of Article 18 shall apply.

## **Decision Making by Shareholders**

### **21 Poll votes**

- 21.1 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.
- 21.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

### **22 Proxies**

- 22.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 22.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

## **Administrative arrangements**

### **23 Means of communication to be used**

- 23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
  - 23.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (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);
  - 23.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 23.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 23.1.4 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, no account shall be taken of any part of a day that is not a working day.

- 23.2 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.

## 24 Indemnity

- 24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

24.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and

24.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 24.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 24.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

- 24.3 In this Article:

24.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

24.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

## 25 Insurance

- 25.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

- 25.2 In this Article:

25.2.1 a "**relevant officer**" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);



25.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

25.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.