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**NIMACUS LIMITED**  
**Company Number: 06039242**

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**Articles of Association**

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**Company Number: 06039242**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**NIMACUS LIMITED**

**("Company")**

**(Adopted by special resolution passed on 2nd October 2023)**

**Introduction**

**1. INTERPRETATION**

1.1 In these Articles, unless the context otherwise requires:

"A Ordinary Share":	means an A ordinary share of £0.04 in the capital of the Company;
"A Ordinary Shareholder":	means a holder of A Ordinary Shares;
"Act":	means the Companies Act 2006;
"Allocation Notice":	has the meaning given in Article 19.10;
"Applicant":	has the meaning given in Article 19.10;
"appointer":	has the meaning given in Article 11.1;
"Articles":	means the Company's articles of association for the time being in force;
"Associate":	in relation to any person means any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986;
"Bad Leaver":	means a Leaver who is not a Good Leaver;
"B Ordinary Share":	means a B ordinary share of £0.04 in the capital of the Company;
"B Ordinary Shareholder":	means a holder of B Ordinary Shares;
"Board":	means the board of directors of the Company from time to time;

"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;
"C Ordinary Share":	means a C ordinary share of £0.04 in the capital of the Company;
"C Ordinary Shareholder":	means a holder of C Ordinary Shares;
"Called Shares":	has the meaning given in Article 22.2.1;
"Called Shareholders":	has the meaning given in Article 22.1;
"Completion Date":	has the meaning given in Article 22.5
"Conflict":	has the meaning given in Article 7.1;
"Consideration":	has the meaning given in Article 19.10;
"Continuing Shareholders":	has the meaning given in Article 19.8;
"Drag Along Notice":	has the meaning given in Article 22.2;
"Drag Along Option":	has the meaning given in Article 22.1;
"Eligible Director":	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter);
"Employee Member":	means a B Ordinary Shareholder or C Ordinary Shareholder who is also an employee or consultant of a Group Company;
"Expert":	means the accountants of the Company from time to time or, if they decline to act, an independent firm of accountants appointed, and whose terms of appointment are agreed, by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (acting as an expert and not as an arbitrator);
"Fair Value":	means in relation to shares, as determined in accordance with Article 21;
"First Offer Period":	has the meaning given in Article 19.8;
"Good Leaver":	means any Leaver in circumstances where the reason for his being a Leaver is: <ul style="list-style-type: none"> <li>(a) death;</li> <li>(b) permanent disability or permanent</li> </ul>

	incapacity through ill-health; or
	(c) another reason determined by the Board as appropriate to justify such categorisation as a Good Leaver;
"Group":	means the Company and its Subsidiaries (if any) from time to time. References to a <b>Group Company</b> are to any one or more of those companies;
"Holding Company":	in relation to a company wherever incorporated (a Subsidiary) means "holding company" as defined in section 1159 of the Act and any other company which is itself a Holding Company (as so defined) of a company which is itself a Holding Company of such Subsidiary. Unless the context requires otherwise, the application of the definition of Holding Company to any company at any time shall apply to the company as it is at that time;
"Initial Surplus Shares":	has the meaning given in Article 19.8;
"Leaver":	means an Employee Member who ceases to be an Employee (and does not continue in that capacity in relation to any Group Company);
"Minimum Transfer Condition":	has the meaning given in Article 19.3.4;
"Model Articles":	means the Model Articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (S/ 200813229) as amended prior to the date of adoption of these Articles;
"New Shareholder":	has the meaning given in Article 22.10;
"Proposed Buyer":	has the meaning given in Article 22.1;
"Sale Shares":	means the shares specified or deemed to be specified for sale in a Transfer Notice;
"Second Offer Period":	has the meaning given in Article 19.9;
"Second Surplus Shares":	has the meaning given in Article 19.9;
"Seller":	means the transferor of shares pursuant to these Articles;
"Seller's Shares":	has the meaning given in Article 22.1;
"Selling Shareholders":	has the meaning given in Article 22.1;
"Subsidiary":	in relation to a company wherever incorporated

(a Holding Company) means "subsidiary" as defined in section 1159 of the Act and any other company which is itself a Subsidiary (as so defined) of a company which is itself a Subsidiary of such Holding Company and a company shall be treated , for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee. Unless the context requires otherwise, the application of the definition of Subsidiary to any company at any time shall apply to the company as it is at that time;

"Transfer Notice": means a notice in writing given by any shareholder to the Company where that shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares; and

"Transfer Price": subject to Article 20.3 has the meaning given in Article 19.16.

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, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 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 (if any)" before the words "properly incur".
- 1.11 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".
- 1.12 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".
- 1.13 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.
- 1.14 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".
- 1.15 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.

## **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. DIRECTORS' MEETINGS**

- 3.1 Any director may call a directors' meeting by giving notice of the meeting to each of the directors in writing or by authorising the company secretary (if any) to give such notice.

### **4. QUORUM FOR DIRECTORS' MEETINGS**

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is one eligible director, who must be an A Ordinary Shareholder.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 4.3 No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 7 Business Days at the same time and place. Subject to Article 4.4, if a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then those eligible directors present will constitute a quorum.
- 4.4 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
  - 4.4.1 to appoint further directors; or



4.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## **5. CASTING VOTE**

- 5.1 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, who shall be an A Ordinary Shareholder, shall have a casting vote.
- 5.2 In the case of any resolution proposed, any director who is an A Ordinary Shareholder voting against such resolution (whether on a show of hands, a poll or on a written resolution) shall be entitled to cast such number of votes as is necessary to defeat the resolution.

## **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 Act, 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 breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict).

7.2 Any authorisation under this Article will be effective only if:

7.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

7.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and

7.2.3 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

7.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):

7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

7.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and

7.3.3 be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

7.4 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:

7.4.1 disclose such information to the directors or to any director or other officer or employee of the Company; or

7.4.2 use or apply any such information in performing his duties as a director, where to do so would amount to a breach of that confidence.

7.5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

7.5.1 is excluded from discussions (whether at meetings of directors or otherwise) relating to the Conflict;

7.5.2 is not given any documents or other information relating to the Conflict; and

7.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

7.6 Where the directors authorise a Conflict:

7.6.1 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and

7.6.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.

7.7 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.

## **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, and Article 27(3) of the Model Articles shall be modified accordingly.

## **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.

- 11.3 The notice must:

11.3.1 identify the proposed alternate; and

11.3.2 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 appointer.

- 12.2 Except as the Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be director;

12.2.2 are liable for their own acts and omissions; are subject to the same restrictions as their appointers; and

12.2.3 are not deemed to be agents of or for their appointers,

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 appointer 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 appointer is not participating);

12.3.2 may participate in a unanimous decision of the directors (but only if his appointer 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 appointer, to a separate vote on behalf of his appointer, in addition to his own vote on any decision of the directors (provided that his appointer 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 is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate's appointer's remuneration as the appointer may direct by notice in writing made to the Company.**

**13. TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates:

13.1.1 when the alternate's appointer 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 appointer, would result in the termination of the appointer's appointment as a director;

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

13.1.4 when the alternate's appointer'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.

## **15. SHARE CAPITAL**

- 15.1 Except as otherwise provided in these Articles, the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares shall rank pari passu in all respects but shall constitute separate classes of shares.
- 15.2 Any profits available for distribution which the Company may determine to distribute in respect of any financial year will be distributed between the respective classes of shares in such proportions as the sole director shall determine from time to time. Each dividend declared on a particular class of shares shall be distributed between the holders of that class of share pro rata according to the number of shares of such class held by them respectively.
- 15.3 On the transfer of any share as permitted by these Articles:
- 15.3.1 a share transferred to a non-member shall remain of the same class as before the transfer; and
- 15.3.2 a share transferred to a member holding shares of a different class to those being transferred shall automatically be redesignated on transfer as a share of the same class as those shares already held by the member.
- 15.4 Any new shares issued to an A Ordinary Shareholder shall be designated as A Ordinary Shares; and any new shares issued to a B Ordinary Shareholder shall be designated as B Ordinary Shares, and any new shares issued to a C Ordinary Shareholder shall be designated as C Ordinary Shares save that if the member in question holds more than one class of shares, the shares issued to him shall be of a class or classes determined by the board.
- 15.5 If no shares of a class remain in issue following a redesignation under paragraphs 15.3 or 15.4, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, members of that class or directors appointed by that class.
- 15.6 Whenever the share capital of the Company is divided into different classes of shares the special rights attached to any such class may only 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 more than 75 per cent, in nominal value, of the issued shares of that class.

## **16. FURTHER ISSUES OF SHARES: AUTHORITY**

- 16.1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise

any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

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

16.2.1 offer or allot;

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

16.2.3 otherwise deal in, or dispose of,

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

- 16.3 The authority referred to in Article 16.2:

16.3.1 shall be limited to shares having an aggregate nominal value of £1,000;

16.3.2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution;

16.3.3 may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require shares in the capital of the Company 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); and

16.3.4 shall be in substitution for all previous authorities conferred on the directors in accordance with section 551 of the Act.

## **17. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS**

- 17.1 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) made by the Company.

- 17.2 Subject to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

## **18. TRANSFER OF SHARES**

18.1 All transfers of shares shall be effected by instrument in writing in any form for the time being authorised by the Stock Transfer Act 1963 (or any statutory modification or re-enactment thereof for the time being in force) or in any other form which the directors may approve.

18.2 No member shall sell, transfer, assign, pledge, charge or otherwise dispose of any share in the capital of the Company or any interest in any such share except:

18.2.1 with the prior written consent of the holders of a majority of the A Ordinary Shares from time to time; or

18.2.2 in accordance with Article 19; or

18.2.3 in accordance with Article 20; or

18.2.4 in accordance with Article 22.

18.3 Any transfer of a share by way of sale which is required to be made under these Articles will be deemed to include a warranty that the transferor sells with full title guarantee.

## **19. TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS**

19.1 In this Article, references to a transfer of a share include the transfer or assignment of a beneficial or other interest in that share or the creation of a trust or encumbrance over that share and reference to a share includes a beneficial or other interest in a share.

19.2 Except where the provisions of Article 18.2.1, Article 20 or Article 22 apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.

19.3 A Seller shall, before transferring or agreeing to transfer any shares, give a Transfer Notice to the Company specifying:

19.3.1 the number of Sale Shares ;

19.3.2 if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed transferee;

19.3.3 the price (in cash) per share at which he wishes to transfer the Sale Shares; and



19.3.4 whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold (Minimum Transfer Condition).

19.4 Save in relation to a Transfer Notice given (or deemed to be given) pursuant to Article 20, a Seller shall be entitled to withdraw a Transfer Notice within 5 Business Days after the determination of the Fair Value but not otherwise.

19.5 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

19.6 Unless the Transfer Notice shall have been withdrawn pursuant to Article 19.4, within 10 Business Days of the agreement of the Transfer Price or the determination of the Transfer Price in accordance with Articles 19.16 and 21, the Board shall offer the Sale Shares for sale in the manner set out in Article 19.7 onwards. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

19.7 If the Board so resolves, the Sale Shares shall in the first instance be offered to the Company for purchase pursuant to the provisions of Part 18 of the Act. The Company shall have a period of 28 days (Company Offer Period) within which to accept such offer. If by the end of the Company Offer Period, the Company has accepted such offer in respect of all of the Sale Shares, an Allocation Notice will be given to the Seller in accordance with Article 19.10 immediately following such acceptance. If by the end of the Company Offer Period, the Company has accepted such offer in respect of some but not all of the Sale Shares, or has declined the offer, the Board shall, immediately following such decision, allocate to the Company the Sale Shares accepted by it for the purpose of Article 19.10, and deal with the balance in accordance with Article 19.8.

19.8 The Board shall offer the balance of the Sale Shares not agreed to be purchased by the Company pursuant to Article 19.7 to all shareholders other than the Seller (Continuing Shareholders), inviting them to apply in writing within 15 Business Days of the date of the offer (First Offer Period) for the maximum number of such Sale Shares they wish to buy.

Sale Shares of a particular class specified in column (1) in the table below shall be treated as offered:

19.8.1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and

19.8.2 to the extent not accepted by persons in column (2), to all persons (if any) in the category set out in the corresponding line in column (3) in the table below,

but no Sale Shares shall be treated as offered to the Seller or any other shareholder who is then bound to give or deemed to have given a Transfer Notice.

<b>(1)</b> <b>Class of Sale Shares</b>	<b>(2)</b> <b>Offered First To</b>	<b>(3)</b> <b>Offered Second To</b>
A Ordinary Shares	Holders of A Ordinary Shares	Holders of B Ordinary Shares and C Ordinary Shares
B Ordinary Shares	Holders of A Ordinary Shares	Holders of B Ordinary Shares and C Ordinary Shares
C Ordinary Share	Holders of A Ordinary Shares	Holders of B Ordinary Shares and C Ordinary Shares

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under Article 19.7, this Article 19.8 and Article 19.9 shall be conditional on the fulfilment of the Minimum Transfer Condition.

If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares offered, the board shall, in the priorities and in respect of each class of persons set out in the columns in the table in this Article 19.8, allocate the/such Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this Article but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 19.8.

If, at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares offered, the Board shall allocate Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (Initial Surplus Shares) shall be dealt with in accordance with Article 19.9.

- 19.9 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares, in the priorities and in respect of each class of persons set out in the columns in the table in Article 19.8, to all the Continuing Shareholders, inviting them to apply in writing within 28 Business Days of the date of the offer (Second Offer Period) for the maximum number of Initial Surplus Shares they wish to buy.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares, in the priorities and in respect of each class of persons set out in the columns in the table in Article 19.8, applied for exceeds the number of Initial Surplus

Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that his existing holding of shares (including any allocated Sale Shares) bears to the total number of shares (including any allocated Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy.

If only some of the Sale Shares are allocated in accordance with this Article but there are applications for Sale Shares that have not been satisfied, those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in this Article 19.9.

If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the board shall, in the priorities and in respect of each class of persons set out in the columns in the table in Article 19.8, allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (Second Surplus Shares) shall be dealt with in accordance with Article 19.12.

- 19.10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for by the other shareholders (and/or proposed to be purchased by the Company pursuant to Article 19.7 is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 19.7 to Article 19.9, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

If:

19.10.1 the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and

19.10.2 allocations under Articles 19.8 and/or 19.9 have been made in respect of some or all of the Sale Shares, and/or the Company has agreed to purchase some or all of the Sale Shares under Article 19.7,

the Board shall give written notice of allocation (Allocation Notice) to the Seller and (if applicable) each Continuing Shareholder to whom Sale Shares have been allocated (Applicant). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and/or to be purchased by the Company, the amount payable by each Applicant and/or the Company for the relevant number of Sale Shares (Consideration) and the place and time for completion of the transfer of the Sale Shares (which shall be not more than 20 Business Days after the date of the Allocation Notice).

- 19.11 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares allocated in accordance with the requirements specified in the Allocation Notice.

If the Seller fails to comply with the requirements of the Allocation Notice:

- 19.11.1 the chairman of the Company (or, failing him, one of the other directors, or some other person nominated by a resolution of the board) may, on behalf of the Seller:

19.11.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares;

19.11.1.2 receive the Consideration and give a good discharge for it; and

19.11.1.3 (if applicable and subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the shares purchased by them; and

- 19.11.2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate for the relevant shares (or an indemnity, in a form reasonably satisfactory to the board, in respect of any lost certificate, together with such other evidence (if any) as the board may reasonably require to prove good title to those shares) to the Company.

- 19.12 If an Allocation Notice does not relate to all of the Sale Shares then, subject to Article 19.14 and within 4 weeks following service of the Allocation Notice, the Seller may transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price.

- 19.13 Subject to Article 19.14, within 4 weeks following receipt of a notification by the Board pursuant to Article 19.10 that the Minimum Transfer Condition has not been met, the Seller may transfer to any person at a price at least equal to the Transfer Price such number of Sale Shares as is at least equal to the number of Sale Shares specified in the Minimum Transfer Condition.

- 19.14 The Seller's right to transfer shares under Article 19.12 and/or Article 19.13 does not apply if the Board reasonably considers that:

- 19.14.1 the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of a Group Company; or

19.14.2 the sale of the Sale Shares is not bona fide or the price is subject to a deduction , rebate or allowance to the transferee ; or

19.14.3 the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the board to enable it to form the opinion mentioned above.

19.15 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with the written consent of shareholders who, but for the waiver, would or might have been entitled to have such shares offered to them in accordance with this Article.

19.16 For the purposes of this Article and subject to Articles 20.3 and 20.6, the expression "the Transfer Price" shall mean the price per share as the Seller and the directors shall agree or failing agreement within 14 days of receipt by the Company of a Transfer Notice:

19.16.1 where the Sale Shares are A Ordinary Shares, such value as the Expert shall certify to be the Fair Value of the Sale Shares in accordance with Article 21; and

19.16.2 where the Sale Shares are B or C Ordinary Shares, the lower of such value as the Expert shall certify to be the Fair Value of the Sale Shares in accordance with Article 21 and the average acquisition price that he paid for each Sale Share.

## **20. COMPULSORY TRANSFERS**

20.1 If any member, being an individual, shall become bankrupt or become of unsound mind or if, while he is a patient within the meaning of the Mental Health Act 1983, an order shall be made in respect of his property under Section 95 or 96 of that Act, a Transfer Notice shall be deemed to have been served in accordance with Article 19.3 on the date of the happening of any such event. Subject to the provisions of this Article 20.1, Articles 27-29 inclusive of the Model Articles shall apply as regards the transmission of shares on the bankruptcy of a member.

20.2 If any Employee Member shall be a Leaver then a Transfer Notice shall be deemed to have been served in accordance with Article 19.3 on the date he became a Leaver.

20.3 Where a Transfer Notice shall be deemed to be served under Article 20.2 the Transfer Price shall be:

20.3.1 in circumstances where the Employee Member is a Good Leaver, Fair Value; and

20.3.2 in circumstances where the Employee Member is a Bad Leaver, the lower of Fair Value and the average acquisition price that he paid for each Sale Share.

20.4 If any member in breach of these Articles should attempt to transfer, charge or otherwise dispose of the legal or beneficial interest in any shares a Transfer Notice shall be deemed to have been served in accordance with Article 19.3 upon the date that the Company receives notice of any attempted transfer, charge or other disposal.

20.5 To enable the directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles, the directors may require any holder, or the legal personal representatives of any deceased holder, or any person named as transferee in any transfer lodged for registration or any other person who the directors may reasonably believe to have information relevant to that purpose, to provide the Company with any information and evidence that the directors request regarding any matter which they deem relevant to that purpose. If the information or evidence is not provided to enable the directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence the directors are reasonably satisfied that a breach has occurred, the directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur:

20.5.1 the relevant shares shall cease to confer on the holder of them (or any proxy) any rights:

20.5.1.1 to vote, whether on a show of hands or on a poll, and whether exercisable at a general meeting of the Company or at any separate meeting of the class in question; or

20.5.1.2 to receive dividends or other distributions otherwise attaching to those shares or to any further shares in the capital of the Company issued in respect of those shares, or in pursuance of an offer made to the relevant holder; and

20.5.2 the holder may be required, at any time following receipt of the notice, to transfer some or all of its shares to any person(s) at the price that the directors may require by notice in writing to that holder.

The rights referred to in Article 20.5.1 may be reinstated by the Board or, if earlier, shall be reinstated on the completion of any transfer referred to in Article 20.5 .2.

20.6 Where a Transfer Notice shall be deemed to have been served in accordance with any of the Articles 20.1 to 20.4 then the provisions of Article 19 shall apply to such Transfer Notice, subject to the following variations:-

20.6.1 the Board shall, within 14 days of receiving notice of the events giving rise to the deemed issue of such Transfer Notice having occurred, unless the Transfer Price has been agreed by the Board and the Seller, instruct the Expert to determine the Transfer Price which shall be Fair Value determined in accordance with Article 21 in the cases referred to in clauses 20.1, and 20.4 and shall be as specified in clause 20.3 in the case of a Leaver;

20.6.2 a Minimum Transfer Condition shall not be deemed to have been specified by the Seller; and

20.6.3 the Transfer Notice shall be deemed to have been given in relation to the entire holding of shares held by the Seller.

## **21. FAIR VALUE**

21.1 In these Articles the Fair Value of the Sale Shares shall be the value that the Expert certifies to be the fair market value in his opinion based on the following assumptions:

21.1.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company with a premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;

21.1.2 the sale is between a willing buyer and a willing seller on the open market;

21.1.3 the sale is taking place on the date that the Transfer Notice is deemed to have been served;

21.1.4 if the Company is then carrying on its business as a going concern, on the assumption that it shall continue to do so;

21.1.5 the shares are sold free of all encumbrances; and

21.1.6 to take account of any other factors that the Expert reasonably believes should be taken into account.

If any problem arises in applying any of the assumptions set out in this Article 21, the Expert shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit.

- 21.2 The Expert shall be requested to determine the Fair Value within 15 Business Days of his appointment and to notify the members of his determination.
- 21.3 Subject to any confidentiality provisions, the Expert may have access to all accounting records and other relevant documents of the Company.
- 21.4 The Expert's determination shall be final and binding on the members (in the absence of fraud or manifest error).

## **22. DRAG ALONG**

- 22.1 If members together holding a majority of the A Ordinary Shares in the capital of the Company in issue for the time being (Selling Shareholders) wish to transfer all of their interest in the shares (Sellers' Shares) to a bona fide arm's length purchaser (Proposed Buyer), the Selling Shareholders may, require all other shareholders (Called Shareholders) to sell and transfer all their shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (Drag Along Option).
- 22.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect (Drag Along Notice) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
  - 22.2.1 that the Called Shareholders are required to transfer all their shares (Called Shares) pursuant to this Article 22;
  - 22.2.2 the person to whom the Called Shares are to be transferred;
  - 22.2.3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
  - 22.2.4 the proposed date of the transfer.
- 22.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 22.
- 22.5 Completion of the sale of the Called Shares shall take place on the date proposed for completion of the sale of the Sellers' Shares (Completion Date) unless:



- 22.5.1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or
- 22.5.2 that date is less than 20 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the twentieth Business Day after service of the Drag Along Notice.
- 22.6 Provided that a Drag Along Notice is served, neither the proposed transfer of Sellers' Shares nor any transfer of Called Shares shall be subject to the pre-emption provisions of Article 19.
- 22.7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article 22.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 22.2.3 in trust for the Called Shareholders without any obligation to pay interest.
- 22.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article 22.2.3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 22 in respect of their shares.
- 22.9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 22.
- 22.10 Following the issue of a Drag Along Notice, on any person becoming a shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a New Shareholder), a Drag Along Notice shall be deemed to

have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 22 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

## **Decision making by shareholders**

### **23. QUORUM FOR GENERAL MEETINGS**

- 23.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be 2 persons present in person or by proxy, of whom at least two shall be an A Ordinary Shareholder.
- 23.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

### **24. VOTING**

In the case of any resolution proposed, any A Ordinary Shareholder voting against such resolution (whether on a show of hands, a poll or on a written resolution) shall be entitled to cast such number of votes as is necessary to defeat the resolution.

### **25. POLL VOTES**

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.

## **Administrative arrangements**

### **26. MEANS OF COMMUNICATION TO BE USED**

- 26.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 26.1.1 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);

- 26.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 26.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 26.1.4 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 Business Day.

- 26.2 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.

## **27. INDEMNITY**

- 27.1 Subject to Article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
  - 27.1.1 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 affairs (or the affairs of any associated company); and
  - 27.1.2 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 27.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 27.3 In this Article:

27.3.1 "associated company" shall have the meaning set out in section 256 of the Act; and

27.3.2 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).

## **28. INSURANCE**

28.1 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.

28.2 In this Article: ·

28.2.1 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);

28.2.2 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

28.2.3 "associated company" shall have the meaning set out in section 256 of the Act.