

Company number 6387995

PRIVATE COMPANY LIMITED BY SHARES

COPY WRITTEN RESOLUTION

of

VIEW LOGISTICS LIMITED (Company)

The following resolution was duly passed as a special resolution on the 23rd of August 2011 by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006

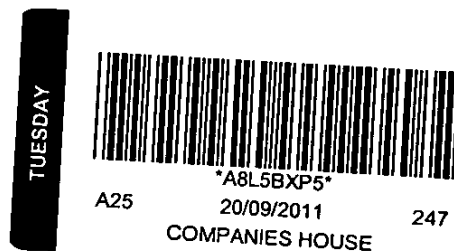
SPECIAL RESOLUTION

THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

Signed



Director of VIEW LOGISTICS LIMITED



COMPANY NUMBER: 06387995

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION OF
VIEW LOGISTICS LIMITED**

INCORPORATED ON THE 2ND OF OCTOBER 2007

ARCHERS  LAW

ARCHERS LAW LLP

SOLICITORS

STOCKTON-ON-TEES

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

VIEW LOGISTICS LIMITED

COMPANY NUMBER: 06387995

INTRODUCTION

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires

A Share: an ordinary share of £1 in the capital of the Company designated as an A Share,

A Shareholder: the holder at any time of A Shares,

Act: means the Companies Act 2006,

appointor: has the meaning given in article 9.1,

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

B Share: an ordinary share of £1 in the capital of the Company designated as a B Share,

B Shareholder: the holder at any time of B Shares,

Bad Leaver: a Departing Employee Shareholder, who is not a Good Leaver,

Board: the board of directors of the Company,

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,

Conflict: has the meaning given in article 6.1,

Deemed Transfer Notice: a Transfer Notice deemed to be given pursuant to the provisions of article 14.3 or article 16,

Departing Employee Shareholder: an Employee Shareholder who ceases to be an employee of the Company,

Employee Shareholder: a Shareholder who is, or has been, an employee of the Company,

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),

Fair Value: means the open market value of the Sale Shares as at the date of the Transfer Notice determined in accordance with clause 15.3,

Good Leaver: a Departing Employee Shareholder whose cessation of employment is solely by reason of his death,

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,

Ordinary Shares: the ordinary shares of £1.00 each in the capital of the Company,

Representatives: in relation to a Shareholder any person or persons who have become entitled to his/her shares in consequence of his death, bankruptcy or mental incapacity

Sale Shares: the shares specified for sale in a Transfer Notice or Deemed Transfer Notice,

Seller: the transferor of shares pursuant to a Transfer Notice,

Shares: the Ordinary Shares from time to time,

Shareholder: a holder of Shares in the Company,

Termination Date:

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires, or
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,

and in any other case, the date on which the employment agreement is terminated, and

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

- 12 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
- (a) any subordinate legislation from time to time made under it, and
 - (b) 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), 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
- (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) 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(1)(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

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

4 QUORUM FOR DIRECTORS' MEETINGS

- 4 1 Subject to article 4 2 and to article 7 (2) of the Model Articles the quorum for the transaction of business at a meeting of directors is any two eligible directors. 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 any 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 and, when the adjourned meeting is convened, any one director present in person, by conference telephone or alternate shall form a quorum
- 4 2 For the purposes of any meeting (or part of a meeting) held pursuant to article 6 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

43 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

- (a) to appoint further directors, or
- (b) to call a general meeting so as to enable the shareholders to appoint further directors

5 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

- (a) 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,
- (b) 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,
- (c) 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,
- (d) 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,
- (e) 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
- (f) 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.

6. DIRECTORS' CONFLICTS OF INTEREST

61 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**)

6.2 Any authorisation under this article will be effective only if

- (a) 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,
- (b) 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
- (c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted

6.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,
- (b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine, and
- (c) 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

6.4 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

- (a) disclose such information to the directors or to any director or other officer or employee of the company, or
- (b) 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

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

- (a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict,
- (b) is not given any documents or other information relating to the Conflict, and

- (c) 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

6.6 Where the directors authorise a Conflict

- (a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict, and
- (b) 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

6.7 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

7. **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

8. **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

9. **APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

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

- (a) exercise that director's powers, and
- (b) carry out that director's responsibilities.

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

9.2 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

9 3 The notice must

- (a) identify the proposed alternate, and
- (b) 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

10 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

10 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

10 2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) 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

10 3 A person who is an alternate director but not a director

- (a) 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),
- (b) 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
- (c) shall not be counted as more than one director for the purposes of articles 10 3(a) and (b)

10 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

10 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 appointor's remuneration as the appointor may direct by notice in writing made to the company

11 TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) 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
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

12 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

13. SHARE CAPITAL

- 13 1 Except as otherwise provided in these Articles, the A Shares and B Shares shall rank *pari passu* in all respects but shall constitute separate classes of shares
- 13 2 A B Shareholder shall not have the right, by virtue of any B Shares that he holds, to attend or vote at any general meeting of the Company
- 13 3 If, in respect of any financial period of the Company, the Company has profits available for distribution and determines to distribute any sum by way of dividend then each such sum shall be applied in the following manner
 - (a) in paying to the holders of the A Shares such sum, if any, as the board of directors of the Company shall resolve to pay by way of dividend to the A Shareholders and
 - (b) in paying to the holders of the B Shares such sum, if any, as the board of directors of the Company shall resolve to pay by way of dividend to the B Shareholders
- 13 4 On the transfer of any Share as permitted by these Articles
 - (a) a Share transferred to a non-shareholder shall remain of the same class as before the transfer, and
 - (b) a Share transferred to a shareholder shall automatically be redesignated on transfer as a Share of the same class as those shares already held by the shareholder

If no shares of a class remain in issue following a redesignation under this article, 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, shareholders of that class or directors appointed by that class

- 13 5 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply but so that the necessary quorum shall be 1 holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, 1 holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

14 TRANSFER OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 14 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal 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.
- 14 2 No member shall dispose of any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for any Share (save as may be required in pursuance of his/its obligations under these Articles) or create or permit to exist any charge, lien, encumbrance or trust over any Share or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except as permitted by this article 14 (Transfer of Shares subject to Pre-emption Rights), article 16 (Compulsory Transfers) article 17 (Drag Along) or article 18 (Tag Along).
- 14 3 If a member at any time attempts to deal with or dispose of a Share or any interest therein or right attaching thereto otherwise than as permitted by these Articles he shall be deemed immediately prior to such attempt to have given a Transfer Notice in respect of such Share.
- 14 4 A Seller shall, before transferring or agreeing to transfer any Shares, give a Transfer Notice to the Company specifying
- (a) the number of Sale Shares,
 - (b) if the Seller wishes to transfer the Sale Shares to a third party, the name of the proposed transferee and the price, if any, offered by the third party for the sale Shares (**Proposed Transferee**),
 - (c) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to Shareholders (**Minimum Transfer Condition**).
- 14 5 Other than expressly provided in article 15 8, once given, a Transfer Notice may not be withdrawn.

- 14 6 A Transfer Notice appoints the Company the agent of the Seller for the sale of the Sale Shares at the transfer price determined in accordance with the provisions of article 15 (Transfer Price)
- 14 7 Following the receipt of a Transfer Notice or the deemed giving of a Deemed Transfer Notice pursuant to the provisions of article 14 3 or article 16, the Board shall offer the Sale Shares for sale to the A Shareholders in the manner set out in article 14 8 Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered in the following manner
- (a) Where a Deemed Transfer Notice is deemed to be given pursuant to the provisions of article 16 3 and the Departing Employee is a Bad Leaver the Board shall offer the Sale Shares as soon as practicable following the Termination Date during which period the Departing Employee shall not be entitled to serve a voluntary Transfer Notice,
 - (b) In all other circumstances the Board shall offer the Sale Shares as soon as possible following the later of (a) the receipt of a Transfer Notice or the deemed giving of a Deemed Transfer Notice and (b) the determination of the Transfer Price pursuant to the provisions of article 15 2
- 14 8 The Board shall offer the Sale Shares to all A Shareholders other than the Seller (Continuing Shareholders), inviting them to apply in writing within 28 Business Days of the date of the offer (First Offer Period) for the maximum number of Sale Shares they wish to buy

If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under this article 14 8 and article 14 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, the Board shall allocate the 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 14 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, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (Initial Surplus Shares) shall be dealt with in accordance with article 14 9

- 14 9 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares 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 applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining 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 Sale Shares) bears to the total number of Shares (including any 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, 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 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 14 13

- 14 10 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for 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 article 14 8 and article 14 9, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

If

- (a) 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
- (b) allocations under article 14 8 and, if necessary, article 14 9 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (**Allocation Notice**) to the Seller and 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, the amount payable by each Applicant for the number of Sale Shares allocated to him (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 20 Business Days and not more than 25 Business Days after the date of the Allocation Notice)

14 11 On the service of an Allocation Notice and subject to the provisions of article 14 12, 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

- (a) 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
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) receive the Consideration and give a good discharge for it, and
 - (iii) (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
- (b) 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

14 12 In the event of a Deemed Transfer Notice being deemed served pursuant to the provisions of article 16 1 or article 16 3 as a result of the death of a Shareholder each of the Continuing Shareholders who agrees to purchase any Sale Shares shall be entitled to pay the Consideration due from him/it at any time and in any instalments provided that Consideration is paid by the end of the period of twelve months starting on the date of the death of the Shareholder.

14 13 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 14 10 then, subject to article 14 14 and within 4 weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 14 13 shall continue to be subject to any Minimum Transfer Condition

14 14 The Seller's right to transfer Shares under article 14 13 does not apply if the Board reasonably considers that

- (a) 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

- (b) 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

14 15 The restrictions imposed by this article 14 may be waived in relation to any proposed transfer of Shares with the 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

15. TRANSFER PRICE

15 1 If a Transfer Notice is served in relation to any B Shares or a Deemed Transfer Notice is deemed to be given in relation to any B Shares in circumstances where the relevant B Shareholder is a Bad Leaver the Transfer Price of the Sale Shares shall be £1 00 per Share

15 2 If (a) a Transfer Notice is served or a Deemed Transfer Notice is deemed to be given in relation any A Shares or (b) a Deemed Transfer Notice is deemed to be given in relation to any B Shares where the relevant B Shareholder is a Good Leaver the Transfer Price shall be such price as is agreed between the Seller or the Representatives of the Seller and the directors of the Company or, in the absence of such agreement within 21 days of the service of the Transfer Notice or, as the context requires, the deemed giving of a Deemed Transfer Notice the Transfer Price will be the Fair Value of the Sale Shares determined by an independent chartered accountant appointed by agreement between the Representatives of the Seller and the directors of the Company or, failing such appointment by agreement within 42 days of the deemed service of the Deemed Transfer Notice, at the request of either the Representatives of the Seller or the Company, by the President for the time being of the Institute of Chartered Accountants in England and Wales (**Independent Expert**) who shall act as expert and not as arbitrator

15 3 The Fair Value of the Sale Shares shall be the open market value of the Sale Shares as at the date of the Transfer Notice determined by the Independent Expert on the following assumptions and bases

- (a) Valuing the Sale Shares as on an arm's length sale between a willing seller and a willing buyer,
- (b) If the Company is then carrying on business as a going concern on the assumption that it will continue to do so,
- (c) valuing the Sale Shares as a rateable proportion of the total market value of all the issued shares of the Company on the assumption that no account shall be taken of the fact (if relevant) that the Sale Shares in question constitute a minority or majority holding in the Company

- 15.4 The Independent Expert shall be requested to determine the Fair Value within 30 Business Days of their appointment and notify the board of directors of the Company of their determination
- 15.5 Subject to any confidentiality provisions, the Independent Expert may have access to all accounting records or other relevant documents of the Company
- 15.6 The Independent Expert's determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 15.7 The costs of the Independent Expert shall be borne by the Seller and the transferee(s) in the proportion determined by the Independent Expert in the case of a Transfer Notice and solely by the Seller in the case of a Deemed Transfer Notice
- 15.8 If the Fair Value, as determined by the Independent Expert in accordance with this Article, is unacceptable to the Seller he may, subject to the provisions of Article 16.2, within seven days of the Fair Value being so determined ("the Valuation Period") withdraw his Transfer Notice by giving notice in writing to that effect to the Company

16. COMPULSORY TRANSFERS

- 16.1 A person entitled to a Share in consequence of the death or bankruptcy of a Shareholder shall be regarded as giving a Deemed Transfer Notice in relation to any Shares held by that Shareholder on the date of such death or bankruptcy
- 16.2 neither a Shareholder nor the Representatives of a Shareholder shall be entitled to withdraw a Deemed Transfer Notice
- 16.3 If an Employee Shareholder becomes a Departing Employee Shareholder in circumstances where he is a Bad Leaver that Departing Employee Shareholder shall be regarded as giving a Deemed Transfer Notice in respect of all the B Shares held by the Departing Employee Shareholder on the Termination Date

17. DRAG ALONG

- 17.1 If the holders of all of the A Shares 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 B 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**)
- 17.2 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

- (a) that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this article 17,
 - (b) the person to whom the Called Shares are to be transferred
 - (c) 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
 - (d) the proposed date of the transfer
- 17.3 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 120 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.
- 17.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 17.
- 17.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares.
- 17.6 The rights of pre-emption set out in article 14 shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 17.7 Within 5 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 this article 17 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 this article 17 in trust for the Called Shareholders without any obligation to pay interest.
- 17.8 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 this article 17, 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 17 in respect of their Shares.

- 179 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 him, 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 17

18 TAG ALONG

- 18.1 If the holders of all of the A Shares (**Proposed Sellers**) propose to transfer all of the A Shares (**Proposed Transfer**) to any person who is not a Shareholder (**Buyer**) then the provisions of this Article 18 shall apply
- 18.2 Before making a Proposed Transfer the Proposed Sellers shall procure that the Buyer makes an offer (**Offer**) to the B Shareholders to purchase all of the B Shares held by them for a consideration in cash per Share that is at least equal to the price per Share offered or paid by the Buyer in the Proposed Transfer (**Specified Price**)
- 18.3 The Offer shall be given by written notice (**Offer Notice**), at least 15 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out
- (a) the identity of the Buyer,
 - (b) the purchase price and other terms and conditions of payment,
 - (c) the Sale Date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**)
- 18.4 If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with Article 18.3 the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer
- 18.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders
- 18.6 The rights of pre-emption set out in article 14 shall not apply to a Proposed Transfer to a Buyer nor to any transfer of B Shares made pursuant to an Offer

DECISION MAKING BY SHAREHOLDERS

19. POLL VOTES

- 19 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
- 19 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

20 PROXIES

- 20 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"
- 20 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

21 MEANS OF COMMUNICATION TO BE USED

- 21 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
- (a) 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),
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

- (d) 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

- 21 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

22. INDEMNITY

- 22 1 Subject to article 22 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) 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

(i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) 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

- (b) 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 22(1)(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 22 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

- 22 3 In this article

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

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- (b) 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)

23 INSURANCE

23.1 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

23.2 In this article

- (a) 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),
- (b) 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
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

24 DIRECTORS' VOTING RIGHTS

Every director for the time being of the Company shall have the following rights

24.1 If at any general meeting a poll is duly demanded on a resolution to remove him from office as a director to ten votes for each A Share of which he is the holder and

24.2 If at any general meeting a poll is duly demanded on a resolution to delete or amend the provisions of this article to ten votes for each A Share of which he is the holder