

Articles of Association of Greenacre Films Limited

Adopted on 3 October 2022

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COMPANIES HOUSE

The Companies Act 2006

PRIVATE COMPANY LIMITED BY SHARES

**ARTICLES OF ASSOCIATION
OF**

**GREENACRE FILMS LIMITED
(Company number 07161174)
(the Company)**

1. Preliminary

- 1.1 The model articles for private companies limited by shares contained in the Companies (Model Articles) Regulations 2008 (the **Model Articles** and each article thereof being a **Model Article**) shall, except to the extent that they are excluded or modified by these Articles, apply to the Company and, together with these articles, shall constitute the articles of association of the Company (the **Articles**).
- 1.2 Save for the Model Articles, no other regulations or articles set out in any statute concerning companies, or in any statutory instrument or other subordinate legislation made under any statute, shall apply as the regulations or articles of the Company.

2. Interpretation

- 2.1 In these Articles, the following words and expressions shall have the meanings set out below:

Act means the Companies Act 2006;

Affiliate means:

- (a) in respect of any corporation, any direct or indirect subsidiaries or holding companies of that corporation and any other subsidiaries of any such holding company;
- (b) in respect of any individual, any person who is an associate of that individual;

The Founders shall not for the purposes of these Articles be treated as Affiliates of each other;

Bad Leaver	<p>means a person who becomes a Leaver in circumstances where either:</p> <p>(a) his employment or engagement with the Group Company that employs or engages him is terminated due to Cause; or</p> <p>(b) he or she serves notice on the Group Company that employs or engages him or her to terminate his or her employment or engagement but in circumstances where, as a consequence of any act or omission, such Group Company could, had it known about such act or omission, have terminated the Worker's employment or engagement due to Cause;¹</p>
Board	the board of Directors of the Company or the Directors present at a duly convened meeting of the Directors at which a quorum is present (as the context requires);
Business Day	means a day (other than a Saturday or Sunday) on which banks are open for business in the City of London;
Cause	<p>means in the context of the termination by a Group Company of the employment or engagement of any Worker (and notwithstanding anything in the contract of employment or engagement of the person concerned), such termination being effected by such Group Company in circumstances where the Worker has done or omitted to do any act or thing the doing or omission of which:</p> <p>(a) results in, or might reasonably be expected to result in or cause, damage to the business or reputation of any Group Company or which brings or is likely to bring (or if made public would bring or be likely to bring) any Group Company into disrepute;</p> <p>(b) amounts to a serious breach of the Worker's contract of employment or engagement or a repeated or continued breach of obligations under any such contract;</p> <p>(c) amounts to gross negligence, gross misconduct or some other unlawful or inappropriate or serious act or omission entitling the Group Company to summarily dismiss the Worker;</p> <p>(d) comprises disclosure or misuse of confidential information regarding the business of any Group Company or relating to any Group Company's employees, clients, customers, suppliers, licensors or licensees;</p> <p>(e) comprises theft or attempted theft of the property of any Group Company or any third party;</p>

¹ Note: this definition of Bad Leaver implies (by the reference to Cause) some form of wrongdoing on the part of the Leaver and so would not, for example, cover a situation where one of you simply decided to leave the Company and go and work elsewhere – we can extend the definition to cover that if you would prefer though

(f) comprises an act of forgery, falsification of records or other acts or attempted acts of dishonesty or fraud; or

(g) comprises a criminal offence which might reasonably be expected to bring any Group Company or its business into disrepute;

Directors	means the directors for the time being of the Company;
Employed	a person shall be treated as being Employed for the purposes of these Articles if they are employed or engaged on an ongoing basis by any Group Company under a contract of employment or contract for services. For these purposes a person shall not be treated as being employed or engaged on an ongoing basis by any Group Company simply by virtue of the fact that they may be appointed as a director of any Group Company;
Encumbrance	means any claim, charge, mortgage, pledge, trust, security, lien, option, equity, power of sale, hypothecation or third party rights, retention of title, right of pre-emption, right of first refusal or any other security interest of any kind;
Family Member	means in respect of any person any other person who is the spouse, civil partner, child, grandchild or other lineal descendant of that person (including any person who is an adopted child of any of the aforementioned persons) or who is the brother, sister, nephew or niece of any such person;
Family Trust	means in respect of any person a trust which only permits one or more persons who are Family Members of that person to be beneficiaries of that trust (provided that such trust may also provide for any charities to be default beneficiaries in the event that no other beneficiaries remain alive);
Founders	means each of Amanda Jenks and Nadine Marsh-Edwards (each of such persons being a Founder);
Group Company	means the Company and any subsidiary of the Company for the time being;
Insolvency Event	<p>a person shall be treated as having suffered or incurred an Insolvency Event for the purposes of these Articles if:</p> <p>(a) that person is an individual and is declared bankrupt; or</p> <p>(b) that person is a corporation and either (i) an order is made or a resolution is passed for its liquidation or winding up; (ii) an administrator is appointed to manage its affairs, business or property or any notice of intention to appoint an administrator in respect of that person is given by that person, that person's directors or any qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986) or any other person or persons entitled to give such a notice; (iii) a</p>

receiver is appointed over any of its assets or undertaking or circumstances arise which entitle a court of competent jurisdiction or a creditor to appoint such a receiver; (iv) it makes any application to a competent court for the protection of its creditors in any way; or

(c) any analogous steps to those referred to in paragraphs (a) and/or (b) of this definition are taken or situation arises in respect of that person under the laws of any jurisdiction;

Leaver means a person who is or was a Worker and who ceases, for any reason whatsoever, to be Employed on an ongoing basis by any Group Company;

Shareholders means all of those persons who for the time being hold any Shares (the only such persons at the time of adoption of these Articles being the Founders) and the term **Shareholder** shall be construed accordingly;

Share means any share of any class in the capital of the Company from time to time (the only shares in the capital of the Company at the date of adoption of these Articles being ordinary shares of nominal value of £1.00 each);

Transmittee means a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law; and

Worker means the Founders and/or any other person who is at any time a Shareholder and who is (or was) also directly or indirectly (including through any service company):

(a) employed by any Group Company; or

(b) a consultant or contractor of, or engaged to provide any services to any Group Company.

2.2 In addition to the words and expressions defined in Article 2.1, any words and expressions which are defined in any provisions of these Articles and highlighted in **bold** type shall have the meanings attributed to them throughout these Articles, wherever appearing.

2.3 In these Articles, unless otherwise specified, references to:

(a) any statute or statutory provision are to that statute or statutory provision as from time to time amended, extended, consolidated or re-enacted and any subordinate legislation made under it;

(b) a **corporation** shall include any company, partnership, limited partnership, limited liability partnership, government body or organisation, credit institution, financial institution and any other body corporate, corporation or firm of any nature whatsoever and wherever incorporated (and for these purposes words and phrases defined in section 1173 of the Companies Act 2006 shall have the same meaning in these Articles);

- (c) a **person** includes any individual, company, firm, corporation, partnership, joint venture, association, institution or government (whether or not having a separate legal personality);
- (d) a **member** shall be interpreted as a reference to a Shareholder;
- (e) one gender include all genders and references to the singular include the plural and vice versa;
- (f) a **subsidiary** or **holding company** shall be construed in accordance with Section 1159 of the Companies Act 2006 and references to a **subsidiary undertaking** shall be construed in accordance with section 1162 of the Companies Act 2006;
- (g) a person being an **associate** of another person shall be construed in accordance with Section 435 of the Insolvency Act 1986; and
- (h) any English legal term for any action, remedy, method of judicial proceeding, legal document, legal status, court official or any legal concept or thing shall, in respect of any jurisdiction other than England be deemed to include what most nearly approximates in that jurisdiction to the English legal term.

3. **Appointment and Removal of Directors**

- 3.1 The Board shall comprise of at least one Director but there shall be no maximum number of Directors who may hold office at any time.
- 3.2 For so long as a Founder remains a Shareholder:
 - (a) that Founder shall have the right to require that she remain in office as or (by serving written notice on the Company at its registered office) be appointed as a Director of the Company; and
 - (b) in the event that any resolution of the members is proposed (whether at a general meeting of the Company or otherwise) to remove that Founder from her office as a Director pursuant to section 168 of the Act, the number of votes attaching to the Shares held by that Founder in respect of that resolution shall be increased so that in aggregate such Shares shall have attached to them a number of votes equal to 51% of the total aggregate number of votes that are capable of being cast by all members in respect of that resolution.
- 3.3 The Board may at any time resolve to appoint any person to act as a Director, whether to replace any existing Director or to act as an additional Director provided that the appointment of such person has been approved in advance in writing by each Shareholder for the time being.
- 3.4 A Director shall vacate their office as a Director if:
 - (a) he or she ceases to be a Director by virtue of any provision of the Act or becomes prohibited by law from being a Director; or
 - (b) he or she becomes bankrupt or makes any arrangement or composition with his or her creditors generally; or

- (c) an independent registered medical practitioner gives a written opinion to the Company stating that that Director has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- (d) by reason of that Director's mental health, a court makes an order which wholly or partly prevents that Director from physically exercising any powers or rights which that Director would otherwise have; or
- (e) he or she resigns his office by notice to the Company and such resignation has taken effect in accordance with its terms; or
- (f) a resolution is passed at a duly convened and held meeting of the Directors to terminate that person's appointment as a Director (provided that no Founder may be removed from their position as a Director pursuant to this Article 3.4(f) at a time when that Founder remains the holder of any Shares); or
- (g) he or she is removed from office by a resolution duly passed under section 168 of the Act.

3.6 There shall be no requirement for the Company to have a company secretary.

4. Calling and Conduct of Board Meetings

4.1 Any Director may call a meeting of the Directors.

4.2 Every Director shall be entitled to receive notice of any meeting of Directors, whether or not he or she is absent from the United Kingdom. Reasonable notice of all meetings of Directors must be given and, wherever practicable, at least 5 Business Days' notice of each meeting of the Directors shall be given provided that where circumstances require a shorter period of notice may be given where such shorter period is agreed by either all or a majority in number of the Directors who for the time being hold office. Notice of Directors' meetings must be sent to each Director at the address and/or e-mail address from time to time notified to the Company for such purpose. Notice of a meeting of the Directors shall be accompanied by a written agenda, specifying in reasonable detail the matters to be discussed at that meeting and accompanied where practicable by copies of all documents to be discussed at that meeting.

4.3 A Director may, by written notice to the Company, waive his or her right to receive notice of a meeting of the Directors, either prospectively or retrospectively, and the presence of a Director at the start of a meeting shall constitute such a waiver and the words "not more than 7 days after the date on which the meeting is held" contained in Model Article 9(4) shall not apply to the Company. The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any Director entitled to receive notice shall not invalidate the proceedings at that meeting.

4.4 If and for so long as there is:

- (a) only one Director of the Company who holds office: (i) he or she may exercise all the powers conferred on the Directors by the Articles by any means permitted by these Articles or the Act and the quorum for the transaction of business or making decisions by the Directors shall be deemed to be one Director; and (ii) all other provisions of these Articles shall apply with any necessary modification (unless the provision expressly provides otherwise);
- (b) only one Director eligible to make decisions on any matter: (i) he or she may in relation to those decisions exercise all the powers conferred on the Directors by the Articles by any

means permitted by these Articles or the Act and the quorum for the transaction of business or making decisions by the Directors in relation to that matter shall be deemed to be one Director; and (ii) all other provisions of these Articles shall apply with any necessary modification so that such Director acting alone may make those decisions on behalf of the Board.

- 4.5 No business shall be transacted at any meeting of the Directors unless a quorum is present. Subject to Articles 4.4 and 4.11, the quorum necessary for the transaction of business at any meeting of the Directors shall be two Directors. Model Article 11 shall not apply.
- 4.6 If within 30 minutes of the time appointed for a meeting of the Directors, the meeting is not quorate, it shall be adjourned for the consideration of the same business until the same time on the same day at the same place the next following week. If at the adjourned meeting a quorum is not present within 30 minutes of the time appointed for the meeting or during the meeting ceases to be present, any Director(s) present at the meeting shall constitute a quorum.
- 4.7 Resolutions proposed at meetings of the Directors shall be decided on the basis of a majority of votes cast. Each Director present at any such meeting shall be entitled to cast one vote each on resolutions proposed at such meetings.
- 4.8 For so long as there are two or more Directors who hold office:
- (a) if both of the Founders remain Directors and Employed the chairman of the Board shall be one of the Founders (and in the absence of agreement the position of chairman shall be alternated between the Founders from Board meeting to Board meeting) and in the event of an equal number of votes being cast for and against any resolution at any meeting of the Board such chairman shall not be entitled to a second or casting vote in addition to any other vote she may have;
 - (b) if only one of the Founders remains both a Director and Employed then that Founder shall be the chairman of the Board and in the event of an equal number of votes being cast for and against any resolution at any meeting of the Board such chairman shall be entitled to a second or casting vote in addition to any other vote she may have;
 - (c) neither of the Founders remains both a Director and Employed then the chairman of the Board shall be such person as the Directors may from time to time decide (and in the absence of agreement the position of chairman shall be alternated between the Directors from Board meeting to Board meeting) and in the event of an equal number of votes being cast for and against any resolution at any meeting of the Board such chairman shall not be entitled to a second or casting vote in addition to any other vote he or she may have.

If the chairman of the Board for the time being is absent or not present at any Board meeting within 30 minutes after the time appointed for the holding of that Board meeting then the Directors present shall by majority vote between them elect one of their number as chairman of that meeting but in the event of an equal number of votes being cast for and against any resolution at that meeting such person shall not be entitled to a second or casting vote in addition to any other vote he or she may have.

- 4.9 A resolution which has been executed by all of the Directors for the time being entitled to receive notice of and vote at a meeting of the Directors or of a committee of the Directors shall be as valid and effectual as if it had been passed at a meeting of the Directors or (as the case may be) at a committee of the Directors duly convened and held. For this purpose:

- (a) a resolution may be by means of an instrument or contained in an email or other electronic communication sent to such address or email address (if any) for the time being notified by the Company for that purpose; and
- (b) a resolution may consist of several instruments or several emails or other electronic communications, each executed or sent by one or more Directors, or a combination of both.

4.10 A Director may validly participate in a meeting of the Directors or a committee of Directors by conference telephone, video call and/or any other form(s) of communication equipment (whether in use when these Articles are adopted or not) if all persons participating in the meeting are able to communicate with each other throughout the meeting. A person participating in this way shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way by the Directors or a committee of Directors shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or of a committee of Directors even though fewer than two Directors are physically present at the same place. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. 4.12 If at any time whilst two or more Directors remain in office:

- (a) it is proposed that any agreement (each a **Relevant Agreement**) between on the one hand any Director or any person who is an Affiliate of a Director (as appropriate, a **Relevant Counter Party**) and on the other hand the Company should be entered into, amended or varied in any way;
- (b) it is proposed that any Relevant Agreement should be terminated by the Company or any claim should be made by the Company by reason of a Relevant Counter Party having done or omitted to have done anything that would, under the terms of any Relevant Agreement, entitle the Company to terminate the same or bring such claim;
- (c) it is proposed that the Company should exercise any other right granted to it under any Relevant Agreement or Articles against a Relevant Counter Party; or
- (d) any Relevant Counter Party shall bring, or threaten to bring, any claim, action or other proceedings against the Company or seek to assert any right it may hold against the Company,

then any Director may require by serving written notice on the other Director(s) that any decision as to whether or not any such amendment, variation or termination shall be effected, whether or not any such claim should be made by the Company, whether or not the relevant right should be exercised by the Company and whether or not the Company should take any particular action to defend, compromise, settle or otherwise deal with the relevant claim, action or proceedings or assertion of the relevant right (and any decisions and/or actions which may require the approval of the Board in connection with such matters) shall be delegated and reserved exclusively to any Director(s) who hold(s) office other than (and to the exclusion of) any Director (each an **Excluded Director**) who is the Relevant Counter Party or who is an Affiliate of the Relevant Counter Party to make on behalf of the Company (and once made any such decisions shall be treated as if they had been made at a duly convened and held quorate meeting of the Board). In such circumstances, the Director(s) in whom the relevant decision making powers are pursuant to this Article delegated may keep confidential from any Excluded Director(s) any documents, advice or information relating to the matter concerned which they consider may prejudice the interests of the Company if it were to be disclosed to such Excluded Director(s).

5. Directors' Interests and Conflicts of Interest

- 5.1 An interest of which a Director has no knowledge and of which it is unreasonable to expect them to have knowledge shall not be treated as an interest of theirs.
- 5.2 An interest which cannot reasonably be regarded as likely to give rise to a conflict of interest shall not be treated as an interest of a Director.
- 5.3 In relation to an alternate Director, both interests of his or her own and interests of his or her appointor shall be treated as interests of the alternate Director, and the alternate Director shall be deemed to have knowledge of all matters which are known or should reasonably be known by his or her appointor.
- 5.4 Pursuant to Section 175 of the Act a Director must avoid a situation in which he or she has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company, including but not limited to the exploitation of any property, information or opportunity notwithstanding that the Company cannot take advantage of such property, information or opportunity. Pursuant to Section 175(5)(b) of the Act, the Board may authorise such a conflict of interest provided that any Director having such a conflict of interest shall not vote or count in the quorum in respect of any resolution of the Board authorising his conflict of interest.
- 5.5 Subject to Article 4.11, without prejudice to the obligation of any Director to disclose his interest in accordance with section 177 of the Act, and provided that where appropriate any relevant conflict of interest has been authorised in accordance with Article 5.4 above, a Director may attend and vote at a meeting of Directors or of a committee of Directors on any resolution concerning a matter in which he is directly or indirectly interested. The Director shall be counted in the quorum present at a meeting when any such resolution is under consideration and if he votes his vote shall be counted. Model Article **Error! Reference source not found.** shall not apply to the Company.
- 5.6 If a question arises at a meeting of Directors or of a committee of Directors as to the right of a Director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any Director other than the chairman is to be final and conclusive.
- 5.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the Directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.
- 5.8 Subject to the provisions of these Articles and the Act and subject to any disclosures required by these Articles and law, a Director, notwithstanding his office shall not by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

6. Alternate Directors and Company Secretary

- 6.1 No person may be appointed as an alternate director of any Director unless such appointment has been approved in writing by each Director for the time being.
- 6.2 Subject to Article 6.1, Directors (other than an alternate Director appointed by a Director) may appoint any other Director, or any other person, who is willing to act, to be his or her alternate

Director (provided always that he has provided to the Company written confirmation of his willingness to act) and may remove from office an alternate Director so appointed by him. Any appointment or removal of an alternate Director shall be by notice to the Company authenticated by the Director making or revoking the appointment or in any other manner approved by the Directors. Any such notice may be left at or sent by post or email to the Company's registered office or to each of its Directors or another place designated for the purpose by the Directors.

- 6.3 Subject to his or her providing the Company with an address or email address at which notices may be given to him, an alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his or her appointor is a member. He or she shall be entitled to attend and vote at any such meeting at which the Director appointing him or her is not personally present and generally to perform all the functions of his or her appointor as a Director in his or her absence (including participating in unanimous decisions of the Directors) but shall not be entitled to receive any remuneration from the Company for his or her services as an alternate Director. An alternate Director may be paid expenses and may be indemnified and/or insured by the Company to the same extent as if he or she were a Director.
- 6.4 Except as the Articles otherwise provide, 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.
- 6.5 A person may be the alternate Director of more than one Director. If this is the case, at any Directors' meeting he or she shall have one vote for each of the Directors for whom he is an alternate.
- 6.6 An alternate Director shall cease to be an alternate Director if his or her appointor ceases to be a Director or if any of the events set out in Model Article 18 shall occur in relation to the alternate Director.
- 6.6 The Board may at any time appoint any person to act as the company secretary of the Company by passing a resolution to approve such appointment and may also remove any person who for the time being acts as the company secretary of the Company from that office by passing a resolution approving such removal. Notwithstanding the foregoing, the Company need not appoint a company secretary.

7. Share Capital and Rights attached to Shares

- 7.1 Model Article 22 shall not apply to the Company.
- 7.2 Subject to, and in accordance with, the provisions of the Act, the Company may purchase any of its own Shares at any price (whether above or below the nominal value of the Shares concerned) and make a payment in respect of such purchase of its own Shares (including by way of a purchase otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares) and may enter into or vary any contract for such purchase. All Shares so purchased shall be cancelled immediately upon completion of the purchase. Notwithstanding anything to the contrary contained in these Articles, the rights and privileges attaching to any class of Shares shall be deemed not to be modified or abrogated by anything done by the Company in pursuance of this Article or Article 7.3.

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

- (a) £15,000; and
- (b) the value of 5% of the Company's share capital.

8. Issue of New Shares

8.1 Sections 561(1) and 562 of the Companies Act 2006 shall not apply to the allotment and issue by the Company of any Shares.

8.2 No new Shares may be allotted or issued by the Company unless that allotment or issue has been approved in advance in writing by each Shareholder for the time being.

9. General Provisions Relating to the Transfer of Shares

9.1 A Shareholder may not sell, transfer or otherwise dispose of any Shares other than in accordance with Article 10 or Article 11 and the Directors must refuse to register any other proposed sale, transfer or other disposal of Shares.

9.2 For the purposes of these Articles, the following shall be deemed, without limitation, to constitute a transfer by a holder of Shares:

- (a) the giving of any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of any Share that a Share be allotted or issued or transferred to some person other than himself; and
- (b) the granting of any Encumbrance over or in respect of any Share;
- (c) any sale or other disposition of any legal, beneficial or equitable interest in a Share or any rights attaching to any Share; and
- (d) the entering into of any agreement in respect of exercising any rights attaching to any Share.

9.3 The Directors shall be obliged to register any transfer of Shares properly made pursuant to the provisions set out in these Articles and Model Article 26(5) shall not apply to the Company.

9.4 Any transfer of Shares made pursuant to, in accordance with or as required by the provisions of these Articles shall be made on the basis that it is a transfer of the full legal and beneficial title in and to the relevant Shares with full title guarantee and free from all Encumbrances (and the transferor of any such Shares shall hereby be deemed to represent and warrant to the transferee of any such Shares that the transferor shall, at the time of completion of the transfer of the relevant Shares, be the sole legal and beneficial owner of such Shares free from all Encumbrances).

9.5 For the purpose of ensuring that a transfer of Shares is duly authorised under these Articles, or that no circumstances have arisen whereby a Transfer Notice (as defined below) is required to be given or a Compulsory Transfer Notice (as defined below) may be given, any Director may from time to time require any member or the legal personal representatives of any deceased member or any person named as transferee in any transfer lodged for registration or any person whom they have reasonable grounds for believing to have information concerning dealings with or

interests in shares of the Company to furnish to the Company such information and evidence as the Director may think fit regarding any matter which he may deem relevant to such purpose and may further require such information and evidence to be in the form of a statutory declaration. Failing any such information or evidence being furnished to the satisfaction of the Directors within a reasonable time after such requirement being made, the Directors shall be entitled to refuse to register any transfer in connection with which the information or evidence concerned has been requested.

- 9.6 The instrument of transfer of any Share shall be executed in such form and with such formalities as may from time to time be authorised or required by law and the transferor shall be deemed to remain a holder of the Share until the name of the transferee is entered in the register of members of the Company.

10. **Permitted Transfers of Shares**

The following transfers of Shares shall be permitted at any time (and any such transfer shall be referred to as a **Permitted Transfer** in these Articles):

- (a) a Founder may at any time transfer any or all of the Shares held by her to the other Founder;
- (b) a Shareholder may transfer any or all of its Shares to any other person if such transfer has been approved in advance in writing by each other Shareholder; and
- (c) Shares may be transferred in accordance with, pursuant to or as required by Article 11 or Article 12.

11. **Compulsory Transfer of Shares**

11.1 If at any time a Shareholder:

- (a) shall die;
- (b) shall suffer or incur an Insolvency Event; or
- (c) who is a Worker shall become a Leaver;

(any such Shareholder who may suffer or incur any such event being the **Applicable Shareholder** and any such event being a **Compulsory Transfer Event**) then any Director shall be entitled, at any time during the period (the **Option Period**) of two years after the occurrence of the Compulsory Transfer Event concerned, by serving written notice (a **Compulsory Transfer Notice**) on the Applicable Shareholder, to require that Applicable Shareholder to offer for purchase all of the Shares registered in the name of that Applicable Shareholder at the time the Compulsory Transfer Notice is served (together, the **Relevant Shares**) together with all rights then attached to such Relevant Shares at a price per Share equal to the Share Price (as defined below) in accordance with the remaining provisions of this Article 11.

- 11.2 If a Compulsory Transfer Notice is served then the Company shall be deemed to be the agent of the Applicable Shareholder for the sale of the Relevant Shares and the following provisions of this Article 11 shall apply. Where any decisions are to be made or approvals or consents given by or on behalf of the Board or the Company pursuant to this Article 11 in circumstances where the Applicable Shareholder or any Affiliate of the Applicable Shareholder is a Director, the Applicable Shareholder or the relevant Affiliate of the Applicable Shareholder who is a Director shall not be entitled to participate in any decisions or resolutions relating to such matters and any such

decisions or resolutions shall be reserved for making on behalf of the Company by any other Directors or any other Director if there is only one (and where there is only one such Director that Director shall comprise a quorum of Directors for the purposes of making such decisions or passing such resolutions).

11.3 The Share Price shall be either:

- (a) in any case where the Applicable Shareholder is a Bad Leaver, a sum equal to 75% of the fair market value of the Relevant Shares as at the date on which any relevant Compulsory Transfer Notice is served divided by the number of such Relevant Shares; or
- (b) in any case where Article 11.3(a) does not apply, a sum equal to the fair market value of the Relevant Shares as at the date on which any relevant Compulsory Transfer Notice is served divided by the number of such Relevant Shares;

in each case as agreed between the Applicable Shareholder (or, in the event of the death of the Applicable Shareholder, his or her personal representatives) and the Board or, failing any such agreement within 20 Business Days after the date on which any Compulsory Transfer Notice is served, as certified by an independent firm of chartered accountants with relevant expertise and experience (the **Expert**) appointed by the Company, the identity of which shall be as agreed between the Applicable Shareholder and the Board, or, in the absence of such agreement within 5 Business Days of the date on which any firm is first proposed by the Applicable Shareholder or the Board, as nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Board or the Applicable Shareholder. If an Expert is appointed to certify the Share Price then:

- (a) in determining the Share Price the Expert:
 - (i) must assume that if the Company is then carrying on business as a going concern, that it will continue to do so;
 - (ii) must assume that the Relevant Shares are being transferred on the basis of a sale between a willing buyer and a willing seller and that the Relevant Shares are capable of being transferred without restriction;
 - (iii) must determine the fair market value of the Relevant Shares as at the date on which any relevant Compulsory Transfer Notice is served on the basis that all issued Shares are worth an equivalent amount and no premium or discount shall be applied on the basis that the Relevant Shares may comprise a majority, minority or equal holding; and
 - (iv) may take into account such other facts, matters or circumstances as the Expert may in its sole discretion determine;
- (b) the Applicable Shareholder and the Company shall each use all reasonable endeavours to procure that the Expert serves written notice on each of them of the Share Price as soon as reasonably practicable; and
- (c) any fees, costs and expenses of the Expert (which shall, unless otherwise agreed between the Expert, Applicable Shareholder and the Company, be such fees, costs and expenses as the Expert may charge based on its standard rates) shall be borne as the Expert may determine or failing any such determination equally between the Applicable Shareholder and the Company.

- 11.4 Within 7 days of the date on which the Share Price is agreed or determined in accordance with the preceding provisions of this Article 11, the Company shall serve written notice (each an **Offer Notice**) on each of the Shareholders (other than the Applicable Shareholder) informing them that a Compulsory Transfer Notice has been served on the Applicable Shareholder and shall offer the Relevant Shares for purchase to such Shareholders at a price per Share equal to the Share Price. The offer shall specify the total number of Relevant Shares to be sold and shall invite each Shareholder to notify the Directors of the maximum number of Applicable Shares which they would wish to purchase, if available. Such offers shall stipulate a time limit of not less than 14 days nor more than 28 days within which it must be accepted or in default will lapse.
- 11.5 If the Shareholders have not indicated a willingness to purchase all of the Relevant Shares pursuant to Article 11.4 then any balance of Relevant Shares remaining after taking account of any Relevant Shares which the Shareholders have elected to purchase pursuant to Article 11.4 may, subject to compliance with any relevant provisions of the Act, be purchased by the Company itself at a price per Share equal to the Share Price if so resolved by the Board prior to the Final Notification Date (as defined below).
- 11.6 If the Company shall on or before the date (the **Final Notification Date**) falling 2 months after the date on which the Offer Notice is served find Shareholders willing to purchase the Relevant Shares or any of them or itself wishes to purchase any of the Relevant Shares in accordance with Article 11.5 (any such Shareholder which wishes to purchase any Relevant Shares and/or (if the Company elects to purchase any Shares), the Company being referred to as a **Compulsory Purchaser** in the remainder of this Article 11) then, provided that one or more Compulsory Purchasers have been found for all (and not some only) of the Relevant Shares, if the Company gives notice in writing (a **Compulsory Purchase Notice**) of such fact to the Applicable Shareholder on or before the Final Notification Date then the Applicable Shareholder shall be obliged, upon payment to him or her of the appropriate purchase monies, to transfer the Relevant Shares to the respective Compulsory Purchaser(s) at a price per Share equal to the Share Price. Every notice given by the Company under this Article shall state the name and address of each Compulsory Purchaser and the number of Relevant Shares agreed to be purchased by them. In the event that there is any competition between Shareholders who wish to become Compulsory Purchasers then Relevant Shares shall be allocated between them on a pro rata basis (as nearly as may be without involving fractions) according to their respective holdings of Shares at the relevant time.
- 11.7 The Company shall specify in any Compulsory Purchase Notice the date (the **Relevant Share Completion Date**) and a place for completion of the sale and purchase of the Relevant Shares, such date being not fewer than 5 and not more than 20 Business Days after the date on which such Compulsory Purchase Notice is served.
- 11.8 Completion of the sale and purchase of any applicable Relevant Shares shall take place at 12 noon on the Relevant Share Completion Date. At or before this time:
- (a) the Applicable Shareholder (or where applicable their personal representatives) shall deliver to the Company stock transfer forms in favour of the relevant Compulsory Purchaser(s) in respect of the Relevant Shares being acquired by each Compulsory Purchaser, duly executed in their favour by the Applicable Shareholder (or where applicable their personal representatives) together with the relevant certificate(s) for those Relevant Shares or an indemnity in lieu of any missing certificate(s) in a form satisfactory to the Directors; and
 - (b) any Compulsory Purchasers shall pay to the Company an amount equal to any consideration payable by them to the Applicable Shareholder in respect of any Relevant Shares being acquired by them (and the Company shall, upon the date of completion of the sale and purchase of such Relevant Shares pay such amounts on to the Applicable

Shareholder (or where applicable their personal representatives) on behalf of such Compulsory Purchasers). The Company's receipt of such consideration shall be a good discharge to any Compulsory Purchaser and pending payment on to the Applicable Shareholder (or where applicable their personal representatives), the Company shall hold such consideration on trust for the benefit of the Applicable Shareholder without any obligation to pay interest.

11.9 If the Company shall not find Compulsory Purchasers willing to purchase all of the Relevant Shares in accordance with the preceding provisions of this Article 11 then the Applicable Shareholder shall not be obliged to transfer any of the Relevant Shares pursuant to this Article 11.

11.11 In circumstances where a Transmitttee or other person becomes entitled to any Shares of an Applicable Shareholder as a consequence of death or bankruptcy or otherwise by operation of law (or following any transfer of Shares made in accordance with Article 12) that person shall also be bound by the provisions of this Article 11 as if they were the Applicable Shareholder concerned and references to Applicable Shareholder shall be construed accordingly.

12. Transmission

12.1 If title to a Share held by any Shareholder passes to a Transmitttee, the Company may only recognise that Transmitttee as having any title to that Share. Subject always to Article 11, a Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:

- (a) may choose either to become the holder of those Shares; or
- (b) to have them transferred to any other person provided that:
 - (i) where the Transmitttee has acquired title in any Shares as a result of the death of a Shareholder, the Shares held by that Shareholder at the time of their death shall be subject to the provisions of Article 11 and may not (other than pursuant to Article 11) be transferred to any other person pursuant to this Article until after the expiry of the Option Period (as defined in Article 11.1) applicable to the deceased Shareholder (or, if later and a Compulsory Transfer Notice has been served, until after the procedure set out in Article 11 has been completed) and then such Shares may only be transferred to either:
 - (I) a person who is (or was) a Family Member of the deceased Shareholder;
 - (II) the trustees of any Family Trust of the deceased Shareholder; or
 - (III) a person whose identity has been approved in advance by the Board;
 - (ii) where the Transmitttee has acquired title in any Shares that were held by a Shareholder in any circumstances other than those referred to in Article 12.1(b)(i), those Shares may not (other than pursuant to Article 11 or unless otherwise approved by the Board) be transferred to any other person pursuant to this Article 12.1(b) until after the expiry of the Option Period (as defined in Article 11.1) applicable to that Shareholder and then such Shares may only be transferred to either:
 - (I) a person who is (or was) a Family Member of the deceased Shareholder;
 - (II) the trustees of any Family Trust of the deceased Shareholder; or

- (III) a person whose identity has been approved in advance by the Board;

Any Transmittree who holds title to any Shares or rights in respect of any Shares that were held by an Applicable Shareholder may be obliged to transfer some or all of such Shares in accordance with Article 11 as if they were the Applicable Shareholder if a Compulsory Transfer Notice is served in respect of such Shares. Pending any transfer of the Shares to which any Transmittree holds any title that Transmittree shall have the same rights and shall be subject to the same obligations under these Articles as the original holder had but Transmittrees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of Shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those Shares and may be obliged to transfer some or all of such Shares in accordance with Article 11 if a Compulsory Transfer Notice is served in respect of such Shares.

- 12.2 Transmittrees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish. If the Transmittree wishes to have a Share transferred to another person (any such person being a **transferee** for the purposes of this Article) then, subject to Article 12.1, the Transmittree must execute an instrument of transfer in respect of it. Any transfer made or executed under this Article is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.
- 12.3 If a notice is given to a member in respect of any Shares and a Transmittree is entitled to those Shares, the Transmittree is bound by the notice if it was given to the member before the Transmittree's name has been entered in the Company's register of members.

13. Default in Complying with Article 11

If any person (each a **Defaulting Shareholder**) after having become bound to transfer any Shares to any other person (each a **Transferee**) shall fail, refuse or otherwise make default in transferring such Shares in accordance with the provisions of Article 11 then the Company or any Director may execute on behalf of and as attorney for the Defaulting Shareholder any necessary transfers or other documents needed to effect the relevant transfer. The Company or any such Director shall then be deemed to be the agent and attorney of such Defaulting Shareholder for such purpose and the Company may receive the purchase money from the Transferee and shall upon production of the share transfer and any other necessary documents cause the name of the Transferee to be entered in the Company's register of members as the holder of the relevant Shares and shall hold the purchase money in trust for the Defaulting Shareholder. The receipt by the Company of the purchase money shall be a good discharge to the Transferee who shall not be bound to see the application thereof and after the name of the Transferee has been entered in the register in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay any such purchase monies to any Defaulting Shareholder until such Defaulting Shareholder shall have delivered his share certificate(s) in respect of the relevant Shares or an indemnity in a form acceptable to the Company in respect of any missing certificates and any necessary transfers to the Company.

14. Calling and Conduct of General Meetings

- 14.1 Model Articles 38 to 42 (inclusive) and 44 shall not apply to the Company.
- 14.2 The Directors may, and on the requisition of any Shareholder(s) holding Shares comprising 10% or more of the Company's issued Shares the Directors shall, call a general meeting.
- 14.3 General meetings (except for those requiring special notice) shall be called by at least 14 clear days' notice but a general meeting may be called by shorter notice if it is so agreed by the holders

of 90% or more of the issued Shares for the time being. The notice shall specify the time and place of the meeting and the general nature of the business to be transacted.

- 14.4 Subject to Article 14.5, no business shall be transacted at a general meeting unless a quorum is present. The quorum shall be at least two Shareholders present in person or by proxy or by a duly authorised corporate representative (provided that where there is only one Shareholder who is eligible to vote on any particular resolution then that Shareholder alone shall comprise a quorum). If a quorum is not present within half an hour of the time appointed for the meeting, or if during the meeting a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week, or if that is not a Business Day to the next following Business Day, at the same time and place or such other time and place as the Directors determine. If, at the adjourned meeting, a quorum is not present within half an hour of the time appointed for the meeting then any Shareholder or Shareholders present shall constitute a quorum.
- 14.5 If, and for so long as, the Company has only one Shareholder, that Shareholder present in person or by proxy or by a duly authorised corporate representative shall be a quorum at any general meeting of the Company.
- 14.6 The Director who for the time being acts as the chairman of the Board shall act as the chairman of any general meetings, but if such person is absent or not present within fifteen minutes after the time appointed for the holding of a general meeting, any Shareholders present shall elect one of their number to be chairman and, if there is only one Shareholder present and willing to act, he or she shall be chairman.
- 14.7 The chairman of a general meeting shall not be entitled to a second or casting vote at that meeting in the event of an equal number of votes being cast for and against any resolution.
- 14.8 Any director or company secretary of a corporation which is a Shareholder shall be deemed to be a duly authorised corporate representative of that Shareholder for the purpose of agreeing to short notice of, or attending and voting at, any general meeting of the Company and for the purposes of signing any resolution of the Company which is proposed as a written resolution.
- 14.9 A Shareholder may validly participate in a general meeting by conference telephone and/or any other form(s) of communication equipment (whether in use when these Articles are adopted or not) if all persons participating in the meeting are able to communicate with each other throughout the meeting. A person participating in this way shall be deemed to be present in person at the meeting and shall be counted in a quorum and entitled to vote. Subject to the Act, all business transacted in this way shall for the purposes of the Articles be deemed to be validly and effectively transacted even though fewer than two Shareholder are physically present at the same place. The meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. Each Shareholder shall be given the opportunity to participate in any general meeting in this way.
- 15. Voting at General Meetings**
- 15.1 A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is demanded by any of the Shareholders present. Subject to the provisions of the Act, a poll may be demanded by any Shareholder and a demand by a person as proxy for a Shareholder shall be the same as a demand by the Shareholder.
- 15.2 Both on a show of hands and on a poll every Shareholder present in person or who is represented by a proxy or by a corporate representative shall have one vote for every Share of which he or she is the holder.

16. Appointment of Proxies

16.1 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointer and in a common form or in such other form as the Directors may approve and shall be deemed to include authority to vote on any amendment of a resolution put to the meeting for which it is given as the proxy thinks fit. The instrument of proxy shall, unless the contrary is stated in it, be valid for any adjournment of the meeting as well as for the meeting to which it relates. Model Article 45 shall not apply to the Company.

16.2 The instrument appointing a proxy and any authority under which it is executed or a copy of the authority, certified to be a true copy or in some other manner approved by the Directors may be delivered:

- (a) to the registered office of the Company no fewer than 24 hours before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to act; or
- (b) at that meeting,

and an instrument of proxy which is not so delivered shall be invalid. An emailed, faxed or other machine made copy of an instrument appointing a proxy shall be treated as such an instrument for the purpose of this Article provided that it is received in a complete and legible form.

17. Notices

17.1 Documents and information including notices may be served by the Company upon any member, either:

- (a) personally; or
- (b) by sending it through the post in a prepaid letter, addressed to the member at his registered address; or
- (c) by sending it using email or other electronic means to an email or other address or number for the time being notified for that purpose by the member to the Company; or
- (d) by making the notice available on a website and notifying the member of its presence.

17.2 Where a notice is:

- (a) served by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice and to have been effected at the expiration of twenty-four hours after the letter containing the same is posted;
- (b) served by electronic means, service of the notice shall be deemed to be effected by properly addressing and sending an electronic transmission containing the notice and to have been effected at the expiration of twenty-four hours after the transmission containing the same is sent;
- (c) served by making it available on a website, service of the notice shall be deemed to be effected by properly notifying the member of the fact that the notice is available on the website and to have been effected at the expiration of twenty-four hours after the notification is sent.

- 17.3 A document or information including notices of general meetings may only be sent by the Company by electronic means in accordance with the provisions of the Act to a member who has agreed that the document or information may be sent by those means and who has provided an address for that purpose.
- 17.4 A document or information including notices of general meetings may only be sent by the Company by making them available on a website to a member who has agreed or is deemed to have agreed pursuant to Schedule 5 Part 4 of the Act that the document or information may be sent in this manner.