

Company no. 07599922

The Companies Act 2006
Private company limited by shares
Written resolutions
of
STR Group Limited

FRIDAY



October 25th 2017 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the directors of STR Group Limited (the "Company") propose that resolution 3 is passed as a special resolution, and resolutions 1 and 2 are passed as ordinary resolutions (together the "Resolutions").

Ordinary Resolutions:

1. That the 500 ordinary shares of £0.01 in the capital of the Company registered in the name of Stephen Saunders and the 200 ordinary shares of £0.01 in the capital of the Company registered in the name of Brett Stephens be and they are reclassified as A ordinary shares of £0.01 in the capital of the Company ranking equally with the existing A ordinary shares of the Company.
2. That every ordinary share of £0.01 each in the capital of the Company whether issued or unissued be and they are sub-divided into 100 ordinary shares of £0.0001 each, and that every A ordinary share of £0.01 each in the capital of the Company whether issued or unissued be and they are sub-divided into 100 A ordinary shares of £0.0001 each.

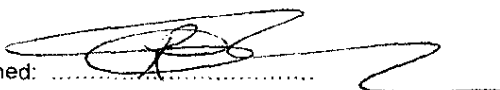
Special Resolutions:

3. That the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association.

Important:


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

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

Signed: 

Name: Richard Crawley

Date: 25/10/2017

Signed: 

Name: Clive Hutchings

Date: 25/10/17

Notes

1. You can choose to agree to all of the Resolutions or none of them but you cannot agree to only some of them. If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - By hand (by delivering the signed copy to Anna Culver, STR Group Limited, One Quay Point, Northarbour Road, Portsmouth, Hampshire, PO6 3TD).
 - By post (by returning the signed copy to Anna Culver, STR Group Limited One Quay Point, Northarbour Road, Portsmouth, Hampshire, PO6 3TD).
 - By email (by returning the signed copy to Anna Culver at aculver@rstrgroup.co.uk)

Please note that return of this document will not be accepted by fax.
2. **The Resolutions will lapse if sufficient votes in favour of them have not been received by the end of the date which is 28 days after the Circulation Date (the Circulation Date being counted as day one).** Unless you do not wish to vote on the Resolution, please ensure that your agreement reaches the Company on or before this date and time. If the Company has not received this document from you by then you will be deemed to have voted against the Resolution.
3. Once you have signified your agreement to the Resolution such agreement cannot be revoked.
4. In the case of joint holders of shares, only the vote of the holder whose name appears first in the register of members of the Company in respect of such joint holding will be counted by the Company to the exclusion of the other joint holder(s).
5. If a member has exercised the right, pursuant to the Company's articles of association and section 145 of the Companies Act 2006 to nominate another person to exercise a right to vote on a written resolution, then the vote of that nominee will be counted by the Company to the exclusion of the member.
6. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company Number: 07599922

**THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION
of
STR GROUP LIMITED**

Company Number: 07599922

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
STR GROUP LIMITED ("Company")

1 {PRIVATE }Definitions & Interpretation

1.1 In these Articles the following words and expressions shall, unless the context otherwise requires, bear the following meanings:-

"A Shares" means A ordinary shares of £0.0001 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"Act" means the Companies Act 2006;

"appointor" has the meaning given in Article 4.1;

"Auditors" means the auditors of the Company from time to time;

"Bad Leaver" means any Relevant Shareholder who becomes a Leaver as a result of him being lawfully dismissed for misconduct under the terms of his contract of employment / services agreement;

"Base Price" means in relation to a share where such share has been issued with a designated "Base Price" by the Board being reflective of the current market value of a share at the date of issue;

"Board" means the board of directors of the Company from time to time;

"Business Day" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for the transaction of normal banking business;

"call" shall have the meaning ascribed in Article 17.1;

"call notice" shall have the meaning ascribed in Article 17.1;

"Change of Control" means the transfer (within the meaning of Article 1.6) of shares as a result of which any person or persons connected with each other or persons Acting in Concert with each other (not being shareholders at the date hereof) would obtain Control of the Company;

"clear days" shall have the meaning ascribed in Articles 16.2.3, 17.3 and 18.1.3;

"Conflict" has the meaning given in Article 13.1;

"Control" has the meaning given to it in section 840 of the Income and Corporation Taxes Act 1988;

"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);

"Founder Shareholder" means each of Richard Crawley and Clive Hutchings;

"Good Leaver" means any Relevant Shareholder who becomes a Leaver:-

- (a) as a result of death, illness (including mental illness), disability, permanent incapacity through ill-health; or
- (b) as a result of retirement at normal retirement age in accordance with that person's contract of employment; or
- (c) in circumstances where the Board (in its absolute discretion) determines that he shall be treated as a Good Leaver for the purposes of Article 24;

"Group" means the Company, its subsidiary undertakings, any holding company of the Company and any subsidiary undertakings of the holding company from time to time, or any of them, as the context admits and the terms **"member of the Group"** and **"Group Company"** shall have a corresponding meaning;

"Interested Director" has the meaning given in Article 13.1;

"Intermediate Leaver" means any Relevant Shareholder who becomes a Leaver in circumstances where he is neither a Good Leaver nor a Bad Leaver;

"Issue Price" means in respect of any share the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value thereof excluding any share premium thereon;

"Leaver" means any Relevant Shareholder who ceases to be an employee and/or director of the Company and who does not continue in any such capacity in relation to the Company or any other Group Company;

"Majority Shareholder Director" means Richard Crawley or such other person who is appointed as a director from time to time with the approval of the holders of a majority of the Ordinary Shares in issue;

"Model Articles" means the model articles for private companies limited by shares prescribed 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" means ordinary shares of £0.0001 each in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

"Permitted Transfer" means any transfer of shares permitted under Article 22;

"Permitted Transferee" means any person to whom a shareholder is permitted to transfer shares pursuant to Article 22 below;

"Privileged Relation" means a shareholder, his or her spouse, lineal descendants and ascendants in direct line (including any step, adopted or illegitimate children), brothers and sisters and the spouses of any such relations;

"Relevant Shareholder" means any shareholder (other than a Founder Shareholder) who is a natural person and who is also an employee and/or director of the Company or any Group Company;

"Shareholders Agreement" means any shareholders agreement entered into between the Company and its shareholders (or any of them);

"Transfer Notice" shall have the meaning given in Article 23.1; and

"Voting Shares" means the Ordinary Shares and/or the A Shares.

- 1.2 References to statutory provisions include references to any orders or regulations made thereunder and references to any statute, provision, order or regulation include references to that statute, provision, order or regulation as amended, modified, re-enacted or replaced from time to time whether before or after the date hereof (subject as otherwise expressly provided herein) and to any previous statute, statutory provision, order or regulation amended, modified, re-enacted or replaced by such statute, provision, order or regulation.
- 1.3 Headings are for information only and shall not form part of the operative provisions of, and shall be ignored in construing, these Articles.
- 1.4 Unless the context otherwise requires, words denoting the singular shall include the plural and vice versa, words denoting any gender shall include all genders and words denoting persons shall include bodies corporate and unincorporated, associations, partnerships and individuals.
- 1.5 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.
- 1.6 A reference in these Articles to the transfer of any share shall mean the transfer of either or both of the legal and beneficial ownership in such share and/or the grant of an option to acquire either or both of the legal and beneficial ownership in such share and the following shall be deemed (but without limitation) to be a transfer of a share:-
 - 1.6.1 any direction (by way of renunciation or otherwise) by a shareholder entitled to an allotment or issue of shares that a share be allotted or issued or transferred to some person other than himself;

- 1.6.2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached thereto) or the grant, creation or disposal of any Interest in any share and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing; and
- 1.6.3 any grant of a legal or equitable mortgage or charge over any share.
- 1.7 Where the expression "person connected" or "connected persons" is used in these Articles it shall mean any person or persons connected with another person within the definition of connected persons contained in section 252 of the Act.
- 1.8 Words and expressions not expressly defined herein but defined in the Model Articles shall, unless the context otherwise requires, have the meanings ascribed to them in the Model Articles.

2 **{PRIVATE }Model Articles**

- 2.1 The Model Articles shall apply to the Company save insofar as excluded or varied hereby or inconsistent herewith and the Model Articles (save as so excluded, varied or inconsistent) and the provisions hereinafter contained shall together be the articles of association of the Company.
- 2.2 Articles 9, 11(2), 13, 14(1) to (5) inclusive, 21, 52 and 53 of the Model Articles shall not apply to the Company.
- 2.3 Article 7 of the Model Articles shall be amended by:
 - 2.3.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 2.3.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 2.4 Article 8(2) of the Model Articles shall be amended by the addition of the following words at the end of that article:-
 "For the avoidance of doubt a resolution in writing of the directors may be signed in one or more counterparts."
- 2.5 Article 17(2) of the Model Articles shall be deleted and replaced with the following words:-
 "In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director."
- 2.6 Article 18(d) of the Model Articles shall be amended by:-
 - 2.6.1 inserting the words "with appropriate specialist knowledge" after the words "registered medical practitioner"; and

- 2.6.2 deleting the words "may remain so" and replacing them with the words "is likely to remain so".
- 2.7 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".
- 2.8 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to Article 17(2)," after the word "But".
- 2.9 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".
- 2.10 Articles 31(a) to (d) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide".
- 2.11 Articles 41(3) of the Model Articles shall be amended by the addition of the words "or if a poll is demanded" after the words "if directed to do so by the meeting".

APPOINTMENT OF DIRECTORS

3 Appointing Directors

- 3.1 Any shareholder and his Privileged Relations collectively holding at least 40% in nominal value of the Voting Shares (as if they constitute one and the same class) shall, for as long as they continue to hold at least 40% in nominal value of the Voting Shares, be entitled from time to time by notice in writing to the Company to require the appointment of one Director and may require removal from office of any person so appointed and may require the appointment of another person in his place.
- 3.2 Any nomination for appointment or removal of a director pursuant to Article 3.1 shall be made in accordance with Article 3.3 and in the case of removal, without compensation for loss of office.
- 3.3 Any appointment or removal pursuant to Article 3.1 shall be in writing served on the Company. Such notice of appointment or removal (which may consist of one or more documents) may be signed by or on behalf of the relevant shareholder(s), or by their duly appointed attorney.

4 Appointment and Removal of Alternate Directors

- 4.1 Any director ("**appointor**") may appoint as his alternate any other director, or any other person approved by resolution of the directors, to:
 - 4.1.1 exercise that director's powers; and
 - 4.1.2 carry out that director's responsibilities,in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.

- 4.2 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.
- 4.3 The notice must:
 - 4.3.1 identify the proposed alternate; and
 - 4.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

5 Rights and Responsibilities of Alternate Directors

- 5.1 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.
- 5.2 Except to the extent these Articles specify otherwise, an alternate director:-
 - 5.2.1 is deemed for all purposes to be a director;
 - 5.2.2 is liable for his own acts and omissions;
 - 5.2.3 is subject to the same restrictions as his appointor; and
 - 5.2.4 is not deemed to be agent of or for his appointorand, 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.
- 5.3 A person who is an alternate director but not a director:-
 - 5.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - 5.3.2 may participate in a decision of the directors (but only if his appointor is an eligible director in relation to that decision, and does not participate); and
 - 5.3.3 shall not be counted as more than one director for the purposes of Articles 5.3.1 and 5.3.2 above.
- 5.4 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.
- 5.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part of the his appointor's remuneration as the appointor may direct by notice in writing to the Company.

6 Termination of Alternate Directorship

An alternate director's appointment as an alternate terminates:

- 6.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 6.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- 6.3 on the death of the alternate's appointor; or
- 6.4 when his appointor's appointment as a director terminates.

7 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.

DECISION MAKING BY DIRECTORS

8 Calling a Directors' Meeting

- 8.1 Any director may call a directors' meeting by giving not less than 5 Business Days advance notice of such meeting (or such shorter period of notice as may be agreed in accordance with Article 8.4 below) to the other directors, or by authorising the company secretary (if any) to give such notice.
- 8.2 Notice of any directors' meeting must indicate:-
 - 8.2.1 the proposed date and time of the meeting;
 - 8.2.2 where the meeting is to take place;
 - 8.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting; and
 - 8.2.4 the agenda for the meeting.
- 8.3 Notice of a directors' meeting must be given to each director but need not be in writing.
- 8.4 A director may waive his entitlement to the notice specified in Article 8.1 above or consent to a shorter period of notice by giving notice to that effect to the Company either in advance or retrospectively. Where notice of waiver or consent to short notice is given after the meeting has been held, that shall not affect the validity of the meeting or of any business conducted at it.

9 Quorum for Directors Meetings

- 9.1 Subject to Article 9.2 below, the quorum for the transaction of business at a meeting of directors is any two eligible directors with at least one director being the Majority Shareholder Director.
- 9.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 13 below to authorise a 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 provided that such director is the Majority Shareholder Director.

10 Decision Making

- 10.1 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it and the resolution is approved by the Majority Shareholder Director.
- 10.2 In respect of each resolution of the directors, each eligible director shall have one vote.

11 Casting Vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, then the Majority Shareholder Director shall have a casting vote.

12 Directors' Declaration of Interests

- 12.1 A director who is in any way, whether directly or indirectly interested in a proposed transaction or arrangement with the Company shall, in accordance with the Act, declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement.
- 12.2 A director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall, in accordance with the Act, declare the nature and extent of his interest to the other directors as soon as is reasonably practicable, unless the interest has already been declared under Article 12.1 above.
- 12.3 A director need not declare an interest under Articles 12.1 and/or 12.2 above (as the case may be):-
- 12.3.1 if it cannot reasonably be regarded as likely to give rise to a conflict of interest;
 - 12.3.2 of which the director is not aware, although for this purpose a director is treated as being aware of matters of which he ought reasonably to be aware;
 - 12.3.3 if, or to the extent that, the other directors are already aware of it, and for this purpose the other directors are treated as aware of anything of which they ought reasonably to be aware; or
 - 12.3.4 if, or to the extent that, it concerns the terms of his service contract that have been, or are to be, considered by the directors or a committee of the directors.

12.4 Provided he has declared the nature and extent of his interest in accordance with Articles 12.1 and/or 12.2 above and the provisions of the Act, a director who is in any way, whether directly or indirectly, interested in any existing or proposed transaction or arrangements with the Company:-

12.4.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

12.4.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

12.4.3 shall count in a quorum and be entitled to vote at a meeting of the 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;

12.4.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

12.4.5 may be a director or other officer of, or employed by or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and

12.4.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) 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.

12.5 For the purposes of this Article 12, reference to a meeting of the directors (or a committee of the directors) shall include any part of such meeting.

13 **Directors' Conflicts of Interest**

13.1 The directors may, in accordance with the requirements set out in this Article 13, authorise any matter proposed to them by any director which would, if not authorised, involve a director (an "**Interested Director**") breaching his duty under section 175 of the Companies Act 2006 to avoid conflicts of interest ("**Conflict**").

13.2 Any authorisation under this Article 13 will be effective only if:-

13.2.1 the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the

provisions of these Articles or in such other manner as the directors may determine;

- 13.2.2 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the Interested Director; and
 - 13.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 13.3 Any authorisation of a matter under this Article 13 may (whether at the time of giving the authority or subsequently):-
- 13.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
 - 13.3.2 impose upon the Interested Director such other terms, limits or conditions for the purposes of dealing with the Conflict and for such duration as the directors think fit;
 - 13.3.3 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters; and
 - 13.3.4 be terminated or varied by the directors at any time (provided that this will not affect anything done by the Interested Director prior to such termination or variation in accordance with the terms of the authorisation).
- 13.4 In authorising a Conflict the directors may decide (whether at the time of giving the authority or subsequently) that if an Interested Director obtains or 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 a third party the Interested Director is under no obligation:-
- 13.4.1 to disclose such information to the Company or to any director or other officer or employee of the Company; or
 - 13.4.2 to 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.
- 13.5 Where the directors authorise a Conflict they may provide, without limitation (whether at the time of giving the authority or subsequently) that the Interested Director:-
- 13.5.1 is excluded from discussions (whether at meetings of directors or otherwise) relating to the Conflict;
 - 13.5.2 is not given any documents or other information relating to the Conflict; and

- 13.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.
- 13.6 Where the directors authorise a Conflict:-
- 13.6.1 the Interested Director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and
- 13.6.2 the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of its authorisation.
- 13.7 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.

SHARES

14 {PRIVATE }Rights attaching to shares

14.1 Voting Rights

The voting rights attached to each class of shares shall be as follows:-

- 14.1.1 on a show of hands, every shareholder holding one or more Voting Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote in respect of all Voting Shares held by him; and
- 14.1.2 on a poll, every shareholder holding one or more Voting Shares, who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote for each Voting Share of which he is the holder.

14.2 Income

- 14.2.1 To the extent there are profits available for distribution for the purposes of the Act and subject to the Board or the Company in general meeting resolving to declare and pay a dividend, that dividend shall, subject to Article 14.2.2, be distributed among the holders of the shares (or relevant class of shares, as the case may be) pro rata to the number of shares held by them.

- 14.2.2 For the purpose of declaring and paying a dividend, the Ordinary Shares and the A Shares shall rank as separate classes of Shares.

14.3 Return of Capital

On a return of capital on liquidation or capital reduction or otherwise the assets of the Company available for distribution to holders remaining after payment of all other debts and liabilities of the Company shall be distributed in the following order and priority:-

| Priority | Class of Share | Amount to be paid: |
|----------|------------------------------|---|
| 1. | Ordinary Shares | Amounts credited as paid up on all issued Ordinary Shares, together with an amount equal to all arrears and accruals of unpaid dividends on the Ordinary Shares |
| 2. | Ordinary Shares and A Shares | Any balance of such surplus assets and retained profits in paying: (a) to the holders of the Ordinary Shares, as a class, 92.75% of the balance of such surplus assets and retained profits; and (b) to the holders of the A Shares, as a class, 7.25% of the balance of such surplus assets and retained profits |

and in each case amongst the holders of the shares (or relevant class) pro rata to the number of shares held by them.

14.4 Other Rights

- 14.4.1 The provisions of sections 561(1) and 562(1) to (5) of the 2006 Act shall continue to apply to the allotment and issue of Ordinary Shares and A Shares and operate in favour of the holders thereof unless particular Ordinary Shares or A Shares have been allotted and issued by the Board from time to time (at its sole discretion) on terms that such rights of pre-emption will not apply in connection with the holding of such shares.
- 14.4.2 Ordinary Shares and A Shares may be allotted and issued by the Board from time to time (at its sole discretion) on terms that the holders of such Ordinary Shares or A Shares (in connection to those particular Ordinary Shares or A Shares) have no rights to participate as a "Purchaser" in a pre-emptive offer on the transfer of Ordinary Shares or A Shares in accordance with Article 23.

14.5 Variation of Rights

Whenever the capital of the Company is divided into different classes of shares the rights attached to any class may be varied or abrogated only with

the consent in writing of the holders of 75% or more in nominal value of the issued shares of that class, or with the sanction of a resolution passed by the holders of 75% or more in nominal value of the issued shares of that class passed at a separate meeting of the holders of that class or as a written resolution, but not otherwise. The provisions of these Articles shall apply mutatis mutandis to any such meeting but so that the necessary quorum shall be shareholders of the class affected holding or representing by proxy, one third of the capital paid on the issue shares of the class affected and so that if at an adjourned meeting of such holders a quorum is not present, those shareholders who are present shall be a quorum.

15 Company's {PRIVATE }Lien

- 15.1 The Company shall have a first and paramount lien over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability (whether solely or jointly with others) to the Company (and whether he is the sole registered holder or one of several joint holders) for all monies payable by him (whether alone or jointly with any other person), to the Company, whether payable immediately or at some time in the future, including (but not limited to) any part of that share's nominal value and any premium at which it was issued, which has not been paid to the Company and whether or not a call notice has been sent in respect of it.
- 15.2 The lien conferred by Article 15.1 shall extend to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) to the proceeds of sale thereof, in each case whether the period for the payment, fulfilment or discharge of such indebtedness or liability shall have actually arrived or not.
- 15.3 The Directors may at any time decide that a share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.

16 Enforcement of Company's Lien

- 16.1 Subject to the provisions of this Article 16, if a lien enforcement notice has been given in respect of a share and the person to whom the notice was given has failed to comply with it, the Company may sell that share in such manner and to such person as the directors may decide.
- 16.2 A lien enforcement notice:-
 - 16.2.1 may only be given in respect of a share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - 16.2.2 must specify the share concerned;
 - 16.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which notice is given (or deemed to be given) and excluding the date on which that 14 day period expires);
 - 16.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and

- 16.2.5 must state the Company's intention to sell the share if the notice is not complied with.
- 16.3 Where shares are sold under powers conferred by this Article 16:-
 - 16.3.1 the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
 - 16.3.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 16.4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:-
 - 16.4.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
 - 16.4.2 second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien over the shares before the sale, for any money payable by that person (or his estate or any joint holder of the shares) after the date of the lien enforcement notice.
- 16.5 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been sold to satisfy the Company's lien on a specified date:-
 - 16.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - 16.5.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share.
- 17 **{PRIVATE }Calls**
 - 17.1 Subject to these Articles and the terms on which shares are allotted, the directors may send a notice (a "**call notice**") to a shareholder requiring him to pay to the Company a specified sum of money (a "**call**") and such sum shall be payable to the Company at the date when the directors decide to send the call notice.
 - 17.2 A call notice:-
 - 17.2.1 may not require a shareholder to pay a call which exceeds the total amount of his indebtedness or liability to the Company;
 - 17.2.2 must state when and how any call to which it relates is to be paid; and

- 17.2.3 may permit or require the call to be made in instalments.
- 17.3 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 17.4 Before the Company has received any call due under a call notice the directors may, by a further notice in writing to the shareholder in respect of whose shares the call is made, revoke it wholly or in part or specify a later time for payment than is specified in the notice.
- 17.5 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 17.6 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 17.7 Subject to the terms on which shares are allotted, the directors may, when issuing shares, provide that call notices sent to the holders of those shares may require them to pay calls which are not the same or to pay calls at different times.
- 17.8 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:
- 17.8.1 on allotment;
- 17.8.2 on the occurrence of a particular event; or
- 17.8.3 on a date fixed by or in accordance with the terms of issue,
- but if the due date for payment of such sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.
- 17.9 If a person is liable to pay a call and fails to do so by the call payment date:
- 17.9.1 the directors may issue a notice of intended forfeiture to that person;
- 17.9.2 until the call is paid, that person must pay the Company interest on the call at the relevant rate from the call payment date to the date of actual payment; and
- 17.9.3 that person shall be liable for all expenses that may be incurred by the Company by reason of such non-payment.
- 17.10 For the purposes of Article 17.9:
- 17.10.1 the "**call payment date**" is the time when the call notice states that a call is payable, unless the directors give a notice specifying a later date, in which case the "call payment date" is that later date; and

17.10.2 the "**relevant rate**" is:-

17.10.2.1 the rate fixed by the terms on which the share in respect of which the call is due was allotted;

17.10.2.2 such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the directors; or

17.10.2.3 if no rate is fixed in either of these ways, 5 per cent per annum.

17.10.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

17.11 The directors may waive any obligation to pay interest on a call wholly or in part.

18 Forfeiture & Surrender of Shares

18.1 A notice of intended forfeiture:

18.1.1 may be sent in respect of any share in respect of which a call has not been paid as required by a call notice;

18.1.2 must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder;

18.1.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

18.1.4 must state how the payment is to be made; and

18.1.5 must state that if the notice is not complied with, the shares in respect of which the call is payable will be liable to be forfeited

18.2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required (as specified in the notice of intended forfeiture), the directors may decide that any share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other monies payable in respect of the forfeited shares and not paid before the forfeiture.

18.3 Subject to the provisions of these Articles, the forfeiture of a share extinguishes all interests in that share, and all claims and demands against the Company in respect of it and all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

18.4 Any share which is forfeited in accordance with these Articles:-

- 18.4.1 is deemed to have been forfeited when the directors decide that it is forfeited;
 - 18.4.2 is deemed to be the property of the Company; and
 - 18.4.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.
- 18.5 If a person's shares have been forfeited:
- 18.5.1 the Company must send that person notice that forfeiture has occurred and record it in the register of shareholders;
 - 18.5.2 that person ceases to be a shareholder in respect of those shares;
 - 18.5.3 that person must surrender the certificate for the shares forfeited to the Company for cancellation;
 - 18.5.4 that person remains liable to the Company for all sums payable by that person under these Articles at the date of forfeiture in respect of those shares, including any interest (whether accrued before or after the date of forfeiture) and expenses; and
 - 18.5.5 the directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.
- 18.6 At any time before the Company disposes of a forfeited share, the directors may decide to cancel the forfeiture on payment of all calls and any interest and expenses due in respect of it (unless the directors shall elect to waive payment of such interest and expenses) and on such other terms as they think fit.
- 18.7 If a forfeited share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 18.8 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a share has been forfeited on a specified date:-
- 18.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - 18.8.2 subject to compliance with any other formalities of transfer required by these Articles or by law, constitutes a good title to the share.
- 18.9 A person to whom a forfeited share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the share.

- 18.10 If the Company sells a forfeited share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which was, or would have become, payable and had not, when that share was forfeited, been paid by that person in respect of that share, but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.
- 18.11 A shareholder may surrender any share:
- 18.11.1 in respect of which the directors may issue a notice of intended forfeiture;
 - 18.11.2 which the directors may forfeit; or
 - 18.11.3 which has been forfeited.
- 18.12 The directors may accept the surrender of any such share.
- 18.13 The effect of surrender on a share is the same as the effect of forfeiture on that share. A share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

19 Interests in Shares

Except as required by law or these Articles, no person shall be recognised by the Company as holding any share upon any trust, and the Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any share or any other rights in respect of any share other than the holder's absolute ownership of it and all the rights attaching to it.

20 Share Certificates

- 20.1 If a shareholder's holding of shares of a particular class increases, the Company may issue that shareholder with a separate certificate in respect only of those shares by which that shareholder's holding has increased or (subject to Article 20.5 below) a single consolidated certificate in respect of all the shares of a particular class which that shareholder holds.
- 20.2 If a shareholder's holding of shares of a particular class decreases, the Company shall issue to that shareholder, one or more certificates in respect of the balance of the shares of that class held after such reduction (if any), subject to compliance by such shareholder with Article 20.5 or 20.6 below (as appropriate).
- 20.3 A shareholder may, by notice in writing, request the Company to replace the shareholder's separate certificates with a consolidated certificate or to replace the shareholder's consolidated certificate with two or more certificates representing such proportion of that shareholder's shares as the shareholder may specify. The Company may charge a reasonable fee and any out-of-pocket expenses for complying with such request.

- 20.4 If more than one person holds a share, only one certificate may be issued in respect of it, and delivery of a certificate for a share to one of several joint holders shall be sufficient delivery to all such holders.
- 20.5 Notwithstanding any of the foregoing provisions of this Article 20, replacement certificate(s) in respect of the shares held by any shareholder shall not be issued unless any certificate(s) which it is to replace have first been returned to the Company for cancellation.
- 20.6 If a share certificate is damaged or defaced or said to be lost, stolen or destroyed, the Company may (upon application by the relevant shareholder) issue a replacement certificate on such terms as to evidence and indemnity and the payment of such reasonable fee and any out-of-pocket expenses of the Company in connection with the matter and generally upon such terms as the directors shall think fit.

21 Transfer of Shares: General Provisions

- 21.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and (if any of the shares is partly paid) the transferee.
- 21.2 No fee may be charged for registering any instrument or transfer or other document relating to or affecting the title to any share.
- 21.3 The Company may retain any instrument of transfer which is registered.
- 21.4 The transferor shall remain the holder of a share until the transferee's name is entered in the register of shareholders as holder of it.
- 21.5 The directors may (at their sole discretion) refuse to register the transfer of a share if:-
- 21.5.1 the share is not fully paid;
 - 21.5.2 the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;
 - 21.5.3 the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
 - 21.5.4 the transfer is in respect of more than one class of share; or
 - 21.5.5 the transfer is in favour of more than four transferees.
- 21.6 The directors shall refuse to register the transfer of a share unless:-
- 21.6.1 the transfer has been made in accordance with Article 23 below (*Pre-emption rights on transfer of shares*) (including any compulsory/deemed transfer in accordance with Article 24);
 - 21.6.2 it is a Permitted Transfer under Article 22; or

21.6.3 all shareholders have (where applicable) waived in writing the rights afforded to them under Article 23 below (*Pre-emption rights on transfer of shares*); or

21.6.4 the transfer has been made pursuant to the exercise of the rights contained in Article 26 (*Drag Along Right*),

any transfer made in accordance with Articles 21.6.1 – 21.6.4 (inclusive) above shall be registered by the directors (subject to Article 21.5). The directors shall also refuse to register the transfer of any shares in respect of which the provisions of Article 27 (Tag Along Right) apply unless the transfer has been made in accordance with the provisions of that Article or all shareholders have waived in writing the rights afforded to them thereunder.

21.7 For the purpose of ensuring that a transfer of shares is permitted under these Articles, the Board may require any shareholder or the legal personal representatives of any deceased shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the shareholder's name.

21.8 If the directors refuse to register the transfer of a share, the instrument of transfer must be returned to the transferee with notice of refusal unless they suspect that the proposed transfer may be fraudulent.

22 Permitted Transfers of shares

22.1 Subject to the provisions of Article 24.7 below, any Founder Shareholder may, transfer all or any of the shares originally held by him (or any beneficial interest therein) for whatever consideration to:-

22.1.1 one or more Privileged Relations;

22.1.2 the trustee or trustees of a family trust set up wholly for the benefit of one or more Privileged Relations;

22.1.3 new or existing trustees where there is any change of trustees to a family trust set up wholly for the benefit of one or more Privileged Relations;

22.1.4 one or more beneficiaries under a family trust set up wholly for the benefit of one or more Privileged Relations; and

22.1.5 joint names of the individual member and one or more Privileged Relations.

22.2 Subject to the provisions of Article 24.7 below, any holder of shares being a body corporate may, with the consent of the Board in its absolute discretion, transfer all or any of its shares or any beneficial interest therein to any other body corporate which is for the time being

its subsidiary or holding company or another subsidiary of its holding company.

23 Pre-emption Rights on Transfer of Shares

23.1 Except where Articles 21.6.2 to 21.6.4 (inclusive) apply, any shareholder proposing to transfer any Voting Shares held by him (a "**Proposing Transferor**") shall give notice in writing (a "**Transfer Notice**") to the Company stating:-

23.1.1 the number of Voting Shares which he proposes to transfer (the "**Sale Shares**");

23.1.2 the price per share at which he proposes to transfer the Sale Shares to a proposed third party purchaser pursuant to a genuine offer to purchase such Sale Shares (the "**Transfer Price**"); and

23.1.3 whether or not the Transfer Notice is conditional upon all and not part only of the Sale Shares being sold pursuant to the offer hereinafter mentioned and in the absence of such stipulation it shall be deemed not to be so conditional.

23.2 A Transfer Notice once given or deemed to be given in accordance with Article 24 can not be withdrawn unless the Board consents to the withdrawal of the Transfer Notice.

23.3 The Transfer Notice shall constitute the Company the agent of the Proposing Transferor for the sale of the Sale Shares at the Transfer Price.

23.4 If no Transfer Price is stated in the Transfer Notice and within 28 days of receipt of the Transfer Notice the Proposing Transferor and a majority of the directors are unable to agree a price per share at which the Sale Shares should be offered for sale, the directors shall instruct the Auditors or (in the event that the Auditors decline such instruction) an independent firm of accountants to determine the Transfer Price in accordance with Article 25.

23.5 The Company shall forthwith upon the later (if relevant) of:-

23.5.1 receipt of a Transfer Notice; or

23.5.2 where the Transfer Price is not stated in the Transfer Notice, the determination of the Transfer Price,

give notice in writing to each of the holders of Voting Shares (subject to Article 14.4) (other than the Proposing Transferor and any other shareholder who has or is deemed to have served a Transfer Notice in relation to all of the Sale Shares held by him) of the proposed transfer of the Sales Shares and invite them to state in writing by a specified date being 28 days from the date of the said notice whether and, if so, the maximum number of Sale Shares he wishes to purchase at the Transfer Price.

23.6 Unless the holders of not less than 75% in nominal value of the Voting Shares (as if they constituted one and the same class) entitled to participate in a pre-emptive offer pursuant to this Article 23 (excluding for this purpose any Voting Shares in respect of which any person has served or is deemed to have

served a Transfer Notice) direct prior to the closing of the offer to shareholders pursuant to Article 23.5 that the Company shall purchase the Sale Shares (in which event the Company shall be the "Purchaser" as defined in Article 22.8), the Sale Shares shall be offered for sale all other holders of Voting Shares (as if they constituted one and the same class) (subject to Article 14.4).

- 23.7 The Sale Shares shall, subject to Article 23.6, be offered on the basis that, in the event that acceptances are received for a greater number of Sale Shares than the maximum number of Sale Shares available for purchase, the Sale Shares shall be sold to the shareholders who have accepted the offer in proportion (as nearly as may be) to their existing holdings of Voting Shares (as if they constituted one and the same class), subject to the maximum number of shares which each has indicated he wishes to purchase.
- 23.8 Within seven days of the closing of the offer to shareholders pursuant to Article 23.5 the Company shall give notice of each allocation of Sale Shares in accordance with Articles 23.6 to 23.9 (inclusive) (an "**Allocation Notice**") to the Proposing Transferor and each of the persons to whom Sale Shares have been allocated (each a "**Purchaser**") and shall specify in the Allocation Notice the place and time (being not less than 7 and not more than 14 days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.
- 23.9 Subject to Article 23.10, upon such allocation being made as aforesaid, the Proposing Transferor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Purchaser(s) named therein at the time and place therein specified. If he makes default in so doing the Chairman (provided he is not the Proposing Transferor) or failing him one of the directors or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Proposing Transferor with full power to execute, complete and deliver in the name and on behalf of the Proposing Transferor a transfer of the relevant Sale Shares to the Purchaser(s) and the Board may receive and give a good discharge for the purchase money on behalf of the Proposing Transferor and (subject to the transfer being duly stamped) enter the name of the Purchaser(s) in the register of shareholders as the holder or holders by transfer of the shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Proposing Transferor until he shall deliver up his certificate or certificates for the relevant shares to the Company when he shall thereupon be paid the purchase money.
- 23.10 If the Proposing Transferor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the total number of shares applied for is less than the total number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation open for 28 days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article 22 shall be conditional upon such offer being accepted in relation to all of the Sale Shares.

23.11 In the event that any (and in the case of a condition in accordance with Article 23.1.3 being applicable, all) of the Sale Shares are not sold in accordance with this Article 23, then the Proposing Transferor may at any time within two calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer any Sale Shares not sold to any person or persons at any price not less than the Transfer Price **PROVIDED** that:-

23.11.1 the Board shall be entitled to refuse registration of the proposed transferee if he is believed to be, or is a nominee for, a person reasonably considered by the Board to be a competitor or connected with a competitor of the business of the Company and its subsidiaries;

23.11.2 if the Proposing Transferor stipulated in the Transfer Notice that unless all the Sale Shares were sold none should be sold, the Proposing Transferor shall not be entitled, save with the written consent of all the other holders of Voting Shares entitled to participate in a pre-emptive offer pursuant to this Article 23, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons; and

23.11.3 any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Purchaser and if not so satisfied may refuse to register the instrument of transfer.

24 **Compulsory & Deemed Transfers of Shares**

24.1 At any time after a Relevant Shareholder:-

24.1.1 becomes a Leaver; or

24.1.2 dies; or

24.1.3 is declared bankrupt,

the Board (excluding if relevant, the Leaver or shareholder concerned) shall have the option by giving notice in writing ("**Board Notice**") to require the Leaver or the legal personal representatives or the trustee(s) in bankruptcy (as the case may be) of the shareholder concerned, to serve a Transfer Notice in accordance with Article 23.1 above in respect of all shares then held by such Leaver or shareholder. The provisions of Article 24.6 below shall apply in respect of any failure to comply with any such call made by the Board.

24.2 If a Transfer Notice is given or deemed to be given pursuant to Article 24.1 in circumstances where the Leaver is a Good Leaver or upon the death of a shareholder, then the Transfer Price per share for all shares registered in his name shall be determined in accordance with Article 23.4.

24.3 If a Transfer Notice is given or deemed to be given pursuant to Article 24.1 in circumstances where the Leaver is an Intermediate Leaver or a shareholder

is declared bankrupt, then the Transfer Price per share for all shares registered in his name shall be determined as follows (with separate calculations being made for different classes of share or where shares have been held for different period of time – where relevant):-

| (1) | (2) | (3) |
|---|---|--|
| Period shares are held by shareholder prior to the date of the Board Notice | % of shares valued at Good Leaver Price | % of shares valued at Bad Leaver Price |
| 0 - 36 months | 0 | 100 |
| 36 - 48 months | 50 | 50 |
| 48 + months | 100 | 0 |

and for the purposes of this Article 24.3:-

"Bad Leaver Price" means the price determined in accordance with Article 24.4 below; and

"Good Leaver Price" means the price determined in accordance with Article 24.2 above.

24.4 If a Transfer Notice is given or deemed to be given pursuant to Article 24.1 in circumstances where the Leaver is a Bad Leaver then the Transfer Price per share for all the Ordinary Shares and/or A Shares registered in his name shall be the lower of:-

24.4.1 the Issue Price; and

24.4.2 the price per share determined in accordance with Article 23.4.

24.5 A chargee of a shareholder who exercises any rights in respect of any shares under the charge or a person entitled to any shares in consequence of the bankruptcy, receivership or liquidation of a shareholder or a shareholder being a company entering into receivership, liquidation or having another analogous event occur in respect of it shall be bound to give a Transfer Notice in respect of such shares, if and when required in writing by the Board to do so.

24.6 In any case where the Board have duly required a Transfer Notice to be given in respect of any shares and such Transfer Notice is not duly given within a period of one week such Transfer Notice shall be deemed to have been given at the expiry of the said period and the provisions of these Articles relating to Transfer Notices shall take effect accordingly unless a majority of the directors (excluding if relevant, the Leaver or Shareholder concerned) elect otherwise.

24.7 If, following a Permitted Transfer made pursuant to Article 22, the transferee ceases to be a person to whom the transferor would be entitled to transfer shares pursuant to Article 22, the transferee shall, within 21 days of so ceasing, transfer the shares held by it to the transferor or to some other

person to whom the transferor would be entitled to transfer such shares pursuant to these Articles and failing such transfer shall be deemed to have given a Transfer Notice in accordance with Article 23.1 in respect of all such shares.

24.8 Where any Transfer Notice is given or deemed to have been given in accordance with this Article 24, such Transfer Notice shall be treated as having specified:-

24.8.1 that all the shares registered in the name of the Proposing Transferor shall be included for transfer;

24.8.2 that other than a Transfer Notice given or deemed to have been given pursuant to Article 24.1 (in respect of which the Transfer Price is determined in accordance with the relevant Articles above) the Transfer Price is as determined in accordance with Article 23.4; and

24.8.3 that the condition as referred to in Article 23.1.3 shall apply.

24.9 In any case where a shareholder (or his personal representative) has been required to give or has been deemed to have given a Transfer Notice pursuant to the provisions of this Article 24 and subsequently becomes the holder of further shares in the Company by virtue of the holding of any shares comprised in such Transfer Notice (whether by rights or bonus issue or conversion or pre-emption rights on issue or transfer or howsoever otherwise) that shareholder (or his personal representatives as appropriate) shall be deemed to have served a Transfer Notice in respect of such further shares.

25 Determination of Transfer Price

25.1 In the event that the Auditors or an independent chartered accountant is required to determine the price at which shares are to be transferred pursuant to these Articles such price shall be the amount the Auditors or chartered accountant (as the case may be) shall on the application of the Board certify in writing to be the price which in their opinion represents the open market value of each share being the sum which a willing purchaser would agree with a willing seller to be the purchase price for all the shares of the Company (taking account of any under option) divided by the number of issued shares and shares under option and so that there shall be no addition of any premium or subtraction of any discount by reference to the size of the holding the subject of the Transfer Notice or in relation to any restrictions on the transferability or options of over the shares to be sold whether under these Articles or otherwise. Provided that in the case of any Relevant Shareholder there shall be deducted from the value of each share in question a sum equal to the Base Price of each share.

25.2 In so certifying, the Auditors or independent chartered accountant (as the case may be) shall act as expert and not as arbitrator and his decision shall be final and binding on the parties.

25.3 The costs of determining the Transfer Price shall be borne by the Company.

26 Drag Along Right

- 26.1 If the holders of 85% or more in nominal value of the Voting Shares (as if they constitute one and the same class) (together the **"Selling Shareholders"**) wish to transfer on a bona fide arms length basis any interest in any shares (other than to an existing shareholder) where that transfer would result in a Change of Control, the Selling Shareholders shall have the option (the **"Drag Along Option"**) to require all the holders of shares to transfer all their shares to the proposed purchaser (**"the Third Party Purchaser"**) or as the Third Party Purchaser directs in accordance with this Article 26 and in exercising the Drag Along Option shall not be required to comply with the provisions of Article 23.
- 26.2 The Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a **"Drag Along Notice"**) to all other shareholders (the **"Dragged Shareholders"**) at any time before the transfer of shares resulting in the Change of Control. A Drag Along Notice shall specify that the Dragged Shareholders are required to transfer all their shares (the **"Dragged Shares"**) pursuant to Article 26.1, the price at which the Dragged Shares are to be transferred (being the price which has been offered by the Third Party Purchaser) and the proposed date of transfer (which shall be a date not less than 60 days from the date of service of the Drag Along Notice). If any part of the price is payable otherwise than in cash, a Third Party Purchaser may elect to pay the cash equivalent. If there is any dispute as to the amount of the cash equivalent which cannot be resolved within 10 Business Days, the directors shall instruct the Auditors (or independent chartered accountant) to determine the price in accordance with Article 25.
- 26.3 A Drag Along Notice is irrevocable but the Drag Along Notice and all obligations thereunder will lapse if for any reason there is not a Change of Control caused by a transfer of shares by the Selling Shareholders to the Third Party Purchaser within 120 days after the date of the Drag Along Notice.
- 26.4 Completion of the sale of the Dragged Shares under this Article shall take place on the Completion Date which means the same date as the date proposed for completion of the sale of the Selling Shareholders' shares unless:-
- 26.4.1 all of the Dragged Shareholders and the Selling Shareholders agree otherwise; or
 - 26.4.2 that date is less than 7 days after the Drag Along Notice, where it shall be deferred until the seventh day after the Drag Along Notice; or
 - 26.4.3 any dispute as to the cash equivalent sum to be paid in lieu of non-cash consideration in respect of the Dragged Shares has not been resolved, where it shall be deferred until the seventh day after it has been determined in accordance with Article 26.2.
- 26.5 If any Dragged Shareholder who is required to transfer shares pursuant to this Article 26 does not, within five days of being required to do so, execute and deliver transfers in respect of the shares held by him and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then the remaining shareholders (or any of them) shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to

execute, the necessary transfer(s) and indemnities on behalf of such Dragged Shareholder(s) and, against receipt by the Company (on trust for such shareholder) of the consideration payable for the relevant shares, deliver such transfer(s) and certificate(s) or indemnities to the party purchasing the relevant shares (or his nominee) and register such purchaser (or his nominee) as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person.

- 26.6 Upon any person, following the issue of a Drag Along Notice, becoming a shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by it to the Third Party Purchaser (or as the Third Party Purchaser may direct) and the provisions of this Article 26 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the shares shall take place on the Completion Date or immediately upon the New Shareholder becoming a shareholder of the Company, if later.

27 Tag Along

- 27.1 Except in the case of transfers pursuant to Article 24 (*Compulsory & Deemed Transfers*) or Article 22 (*Permitted Transfers*) and after going through the pre-emption procedure set out in Article 23 (unless waived or dis-applied), the provisions of Article 27.2 to Article 27.6 shall apply if, in one or a series of related transactions, one or more of Selling Shareholders propose to transfer any of the Voting Shares ("**Proposed Transfer**") which would, if carried out, result in any person save for an existing shareholder ("**Buyer**"), and any person Acting in Concert with the Buyer, acquiring 85% or more in nominal value of the Voting Shares (as if they constituted one and the same class).

- 27.2 Before making a Proposed Transfer, the relevant Selling Shareholders shall procure that the Buyer makes an offer ("**Offer**") to:

27.2.1 the other shareholders to purchase all of the shares held by them; and

27.2.2 the holders of any existing options to acquire shares in the Company (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before (or as a result of) the Proposed Transfer, to purchase any shares acquired on the exercise of such options at any time on or before the Proposed Transfer,

on the same terms and (in the case of cash consideration) for a consideration that is at least equal to the highest price per share offered by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer ("**Specified Price**").

- 27.3 The Offer shall be made by written notice ("**Offer Notice**"), at least 20 Business Days before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out:

- 27.3.1 the identity of the Buyer;
 - 27.3.2 the Specified Price and other terms and conditions of payment;
 - 27.3.3 the Sale Date; and
 - 27.3.4 the number of Shares proposed to be purchased by the Buyer ("**Offer Shares**").
- 27.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 27.2 and Article 27.3, the relevant Selling Shareholders 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.
- 27.5 If the Offer is accepted by any shareholder ("**Accepting Shareholder**") in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 27.6 The Proposed Transfer is subject to the pre-emption provisions of clause 23, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.
- 27.7 For the purposes of Article 22.1, if any part of the Specified Price is payable otherwise than in cash, the Buyer may elect to pay, for the purposes of any Offer (in which case it shall be a condition of any shareholder's acceptance of such Offer that such shareholder accepts), the cash equivalent in respect of all or any of the price offered for the shares to be sold pursuant to the Offer as reasonably determined by the Buyer.
- 27.8 The provisions of this Article 27 shall not apply to any shareholder (or option holder in the case of Article 27.2.2) who has expressly waived his right to receive an Offer.

28 **Transmission of shares**

Nothing in these Articles shall release the estate of a deceased shareholder from any liability in respect of a share solely or jointly held by that shareholder.

DISTRIBUTIONS

29 **Deductions from Distributions**

- 29.1 If a share is subject to the Company's lien and the directors are entitled to issue a lien enforcement notice in respect of it, they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the share, any sum of money which is payable to the Company in respect of that share to the extent that they are entitled to require payment under a lien enforcement notice.
- 29.2 Money deducted in accordance with Article 28.1 above must be used to pay any of the sums payable in respect of that share.

- 29.3 The Company must notify the distribution recipient in writing of:-
- 29.3.1 the fact and amount of any deduction;
 - 29.3.2 any non-payment of a dividend or other sum payable in respect of a share resulting from any such deduction; and
 - 29.3.3 how the money deducted has been applied.

DECISION MAKING BY SHAREHOLDERS

30 Poll Votes

- 30.1 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.
- 30.2 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 sentence at the end of that article.

31 Proxies

- 31.1 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".
- 31.2 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

32 Notices

- 32.1 Any notice, document or other information properly addressed shall be deemed served on or delivered to the intended recipient:-
 - 32.1.1 in the case of a notice sent by first class prepaid post to an address in the United Kingdom, Channel Islands or Isle of Man, on the second Business Day after the day of posting;
 - 32.1.2 in the case of a notice sent elsewhere by airmail, on the fifth Business Day after posting;
 - 32.1.3 in the case of a notice delivered by hand or reputable courier, when it was given or left at the appropriate address;
 - 32.1.4 in the case of a notice sent by facsimile or electronic means, upon sending; and

- 32.1.5 in the case of a notice posted on the Company's website, upon posting 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.
- 32.2 If notice is given in accordance with Article 32.1.3 or 32.1.4 above on a day which is not a Business Day, such notice will be deemed to have been duly served or delivered on the next following Business Day.
- 32.3 A notice may be given by the Company to the joint holders of a share by giving the notice to the joint holder first named in the Company's register of shareholders in respect of the share.
- 32.4 A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a shareholder by sending it by prepaid first class post addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt, or by any like description, at the address, if any, supplied for the purpose by the persons claiming to be so entitled, or (until such an address has been so supplied) by giving the notice in any manner in which the same might have been given if the death or bankruptcy had not occurred.
- 32.5 Notice of every general meeting shall be given in any manner authorised in these Articles to:-
- 32.5.1 every shareholder or his transmittee; and
- 32.5.2 each director who is not a shareholder.
- No other person shall be entitled to receive notices of general meetings.
- 32.6 Every shareholder shall be deemed to have agreed to accept communication from the Company by electronic means (including via the Company's website) unless he shall withdraw such agreement by notice in writing. Notice under this Article 32.6 must be in writing and signed by the shareholder and delivered to the Company's registered office.
- 32.7 If the Company sends two consecutive documents to a shareholder during any 12 month period and each of those documents is returned undelivered, or the Company receives notification that it has not been delivered, that shareholder shall, subject to Article 32.8 below, cease to be entitled to receive notices from the Company.
- 32.8 A shareholder who has ceased to be entitled to receive notices from the Company shall become entitled to receive notices again by sending the Company written notification of a new address to be recorded in the register of shareholders or such other information as the Company needs for the effective use of any other form of communication permitted under these Articles.

33 Indemnity

- 33.1 Subject to Article 33.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:-

- 33.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
- 33.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 33.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 33.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 33.3 In this Article 33:-
 - 33.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 33.3.2 a "relevant officer" shall have the meaning given in Article 34.2 below.

34 Insurance

- 34.1 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.
- 34.2 In this Article 34:-
 - 34.2.1 a "relevant officer" means any current or former director, secretary or other officer of the Company or of an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
 - 34.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
 - 34.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.