

Company number:07939797

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
PREMIER CREATIF LIMITED
(Adopted by special resolution passed on 1st July 2021)

Introduction

1. Interpretation

1.1 The following definitions and rules of interpretation apply in these Articles:

Act:	means the Companies Act 2006.
acting in concert:	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).
appointor:	has the meaning given in article 11.1.
Articles:	means the company's articles of association for the time being in force.
A Share:	means class A ordinary shares of £1 each in the company.
B Share:	means class B ordinary shares of £1 each in the company.
C Share:	means class C ordinary shares of £1 each in the company.
Business Day:	means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.
Conflict:	has the meaning given in article 7.1.
connected:	has the meaning given in section 252 of the Act.

Controlling Interest:	means an interest in shares conferring on the holder or holders control of the company within the meaning of section 1124 of the Corporation Tax Act 2010.
eligible director:	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).
Fair Value:	has the meaning given in article 20.2.
Family Trust:	means any trust (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the particular shareholder and/or any of the Privileged Relations of that shareholder (and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons).
Independent Expert:	the accountants for the time being of the company or, if they decline the instruction, an independent firm of accountants jointly appointed by the company and the Seller or, in the absence of agreement between the company and the Seller on the identity of the expert within ten Business Days of the expiry of the ten Business Day period referred to in article 20.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (acting as an expert and not as an arbitrator).
Minimum Transfer Condition:	has the meaning given in article 19.2(d).
Model Articles:	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>) as amended prior to the date of adoption of these Articles.
Original Shareholder:	has the meaning given in article 18.1.

Permitted Transfer:	means a transfer of shares made in accordance with article 18.
Permitted Transferee:	means any Privileged Relation or the trustee(s) of a Family Trust.
Privileged Relation:	means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue).
Proposed Sale Price:	has the meaning given in article 19.2(c).
Sale Shares:	has the meaning given in article 19.2(a).
Seller:	has the meaning given in article 19.2.
shares:	means the A Shares, B Shares, and C Shares.
Transfer Notice:	has the meaning given in article 19.2.
Transfer Price:	has the meaning given in article 20.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the company, except in so far as they are modified or

excluded by, or are inconsistent with, these Articles.

- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.11 Article 7 of the Model Articles shall be amended by:
 - (a) the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.13 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.15 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) of the Model Articles," after the words "the transmittee's name".
- 1.16 Articles 31(1)(a) to (c) (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". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

Directors

2. Unanimous decisions

- 2.1 A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 2.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

3. Calling a directors' meeting

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

4. Quorum for directors' meetings

- 4.1 Subject to article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7. to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 4.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors; or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

5. Casting vote

- 5.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.
- 5.2 Article 5.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting).

6. Transactions or other arrangements with the company

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and

- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. Directors' conflicts of interest

- 7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this article 7. will be effective only if:
 - (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this article 7. may (whether at the time of giving the authorisation or subsequently):
 - (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
 - (f) 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.

7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.

7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.

7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. Records of decisions to be kept

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

9. Number of directors

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

10. Appointment of directors

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.

11. Appointment and removal of alternate directors

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

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

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

11.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

11.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

12. Rights and responsibilities of alternate directors

12.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

12.2 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their appointors; and
- (d) are not deemed to be agents of or for their appointors

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

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

- (a) may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- (c) shall not be counted as more than one director for the purposes of article 12.3.

12.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.

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

13. Termination of alternate directorship

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;

- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- (c) on the death of the alternate's appointor; or
- (d) when the alternate's appointor's appointment as a director terminates.

14. Secretary

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

Shares

15. Share Capital

- 15.1 The share capital of the company is divided into A Shares, B Shares, and C Shares. The special rights and restrictions attached to each class of share is, as follows:

Income Rights

In any financial year, the available profits of the company shall be used to pay dividends as set out in this article.

Subject to the Act and to these articles, the directors may pay interim dividends if the available profits for the relevant period justify such payment.

The directors may direct that any dividend shall be distributed either to one class of shares to the exclusion of the other classes or to all classes or to some classes to the exclusion of the other classes pro rata according to the number of shares held by them respectively. All dividends are expressed net and shall be paid in cash.

Where a dividend is declared in respect of all classes of share the directors may differentiate between the classes of share as to the amount or percentage of dividend that is to be distributed, but in default the shares of each class shall be deemed to rank *pari passu* in all respects as if they constituted one class of share.

Voting Rights

Each share shall confer on the holder the right to receive notice of, attend and vote at general meetings of the Company. Each share shall confer on the holder one right to vote on a show of hands and one vote for each share held on a poll.

Capital Rights

On a return of capital on a liquidation or otherwise, the assets of the Company remaining

after payment of its debts, liabilities shall be applied and distributed to each of the holders of shares *pari passu* as though they form one class of share.

- 15.2 The special rights attached to any class of share may only be varied or revoked with the consent in writing of the holders of at least 75% in nominal value of the issued shares of that class.

16. Purchase of own shares

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) out of capital up to any amount in a financial year not exceeding the lower of:

- (a) £15,000; and
- (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

17. Transfers of shares: general

- 17.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.

- 17.2 No share shall be transferred, and the Directors shall refuse to register a transfer of any share, unless it is made in accordance with these Articles.

- 17.3 If a shareholder transfers (or purports to transfer) a share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all shares held by him.

- 17.4 To enable the directors to determine whether or not there has been any transfer (or purported transfer) of shares the directors may require:

- (a) any holder (or the legal representatives of a deceased holder); or
- (b) any person named as a transferee in a transfer lodged for registration; or
- (c) such other person as the directors may reasonably believe to have information relevant to that purpose,

to provide the company with any information and evidence that the directors think fit regarding any matter which they deem relevant to that purpose.

- 17.5 If any such information or evidence referred to in article 17.4 is not provided to enable the directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the directors are reasonably satisfied that a breach has occurred, the directors shall immediately notify the holder of such shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the directors within ten Business Days of receipt of such written notice, then:

- (a) the relevant shares shall cease to confer on the holder of them any rights:
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any

class of shares; or

(ii) to receive dividends or other distributions otherwise attaching to those shares;

(b) the directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his shares with effect from the date of service of the notice (or such later date as may be specified in such notice).

The directors may reinstate the rights referred to in article 17.5(a) at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to article 17.5(b).

17.6 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:

(a) it does not contain a Minimum Transfer Condition; and

(b) the Seller wishes to transfer all the shares held by him (including any shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of shares pursuant to the relevant Transfer Notice).

17.7 Any Transfer Notice (but not an Offer Notice (as defined in article 21.) or a Drag Along Notice (as defined in article 22.)) served in respect of the transfer of any share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice.

18. Permitted transfers of shares

18.1 A shareholder (the **Original Shareholder**) may transfer all or any of his shares to a Permitted Transferee.

18.2 Where shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer shares to:

(a) the Original Shareholder;

(b) any Privileged Relation(s) of the Original Shareholder;

(c) the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor; or

(d) to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust, without any price or other restriction.

18.3 If a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within ten Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) either:

(a) execute and deliver to the Company a transfer of the shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or

(b) give a Transfer Notice to the Company in accordance with article 18,

failing which a Transfer Notice shall be deemed to have been given in respect of such shares on the expiry of the period set out in this article 18.3.

- 18.4 Notwithstanding any other provision of this article 18., a transfer of any shares approved by the directors may be made without any price or other restriction and any such transfer shall be registered by the directors.

19. Pre-emption rights on the transfer of shares

- 19.1 Except where the provisions of article 18., article 22. or article 23. apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this article 19.

- 19.2 A shareholder who wishes to transfer shares (a **Seller**) shall, before transferring or agreeing to transfer any shares, give notice in writing (a **Transfer Notice**) to the Company specifying:

- (a) subject to article 17.6(b), the number of shares he wishes to transfer (**Sale Shares**);
- (b) the name of the proposed transferee, if any;
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
- (d) subject to article 17.6(a), whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).

- 19.3 Once given, a Transfer Notice may not be withdrawn.

- 19.4 A Transfer Notice constitutes the company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

- 19.5 As soon as practicable following the later of:

- (a) receipt of a Transfer Notice; and
- (b) the determination of the Transfer Price,

the directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 19 at the Transfer Price. The offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

- 19.6 An offer of Sale Shares made in accordance with article 19.5 shall remain open for acceptance for a period from the date of the offer to the date ten Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 19.7 and article 19.8.

- 19.7 The directors shall offer the Sale Shares to the all holders of shares (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.

- 19.8 If:

- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the directors shall allocate the Sale Shares to each holder of shares who has applied for Sale Shares in the proportion which his existing holding of shares bears to the total number of shares then in issue (other than any shares held by the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional

entitlements shall be determined by the directors). No allocation shall be made to a holder of shares of more than the maximum number of Sale Shares which he has stated he is willing to buy;

- (b) not all Sale Shares are allocated following allocations in accordance with article 19.8(a), but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 19.8(a). The procedure set out in this article 19.8(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the directors shall allocate the Sale Shares to the holders of shares in accordance with their applications. The balance (the **Surplus Shares**) shall be dealt with in accordance with article 19.13.

19.9 Where the Transfer Notice contains a Minimum Transfer Condition:

- (a) any allocation made under article 19.6 to article 19.8 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
- (b) if the total number of Sale Shares applied for under article 19.6 to article 19.8 (inclusive) is less than the number of Sale Shares, the directors shall notify the Seller and all those holders of shares to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

19.10 Where either:

- (a) the Transfer Notice does not contain a Minimum Transfer Condition; or
- (b) allocations have been made in respect of all the Sale Shares,

the directors shall, when no further offers or allocations are required to be made under article 19.6 to article 19.8 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each holder shares to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least ten Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

19.11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.

19.12 If the Seller fails to comply with article 19.11:

- (a) any director or some other person nominated by a resolution of the directors may, as agent and attorney on behalf of the Seller:
 - (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the

register of Shareholders as the holders of the shares purchased by them; and

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

19.13 Where a Transfer Notice lapses pursuant to article 19.9(b) or an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 60 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 19.13 shall continue to be subject to any Minimum Transfer Condition.

20. Valuation

20.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the directors (any director with whom the Seller is connected not voting) and the Seller or, in default of agreement within ten Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the directors first have actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

20.2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions:

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);
- (b) if the company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (c) that the Sale Shares are capable of being transferred without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued shares without any premium or discount being attributable to the percentage of the issued share capital of the company which they represent; and
- (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

20.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.

20.4 The directors will give the Independent Expert access to all accounting records or other relevant documents of the company, subject to it agreeing such confidentiality provisions as the directors may reasonably impose.

20.5 The Independent Expert shall act as expert and not as arbitrator and its determination shall

be final and binding on the parties (in the absence of fraud or manifest error).

- 20.6 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the company. Forthwith upon receipt, the company shall deliver a copy of the certificate to the Seller.
- 20.7 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the directors before the appointment of the Independent Expert, in which case the Seller shall bear the cost.

21. Compulsory transfers

A person entitled to a share in consequence of the bankruptcy of a shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer notice in respect of that share at such time as the directors may determine.

22. Mandatory offer on a change of control

- 22.1 In the event that a proposed transfer of shares (other than a transfer of shares made pursuant to article 18, article 22 or article 23, but after the operation of the pre-emption procedure set out in article 19), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing shareholder (**Buyer**), together with any person acting in concert with the Buyer, acquiring a Controlling Interest, the remaining provisions of this article 22. shall apply.
- 22.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (**Offer**) to each shareholder (each an **Offeree**) on the date of the Offer, to buy all of the shares held by such Offerees on the date of the Offer for a consideration in cash per share (**Offer Price**) which is equal to the highest price per share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any shares in connection with the Proposed Transfer.
- 22.3 The Offer shall be made by notice in writing (**Offer Notice**) addressed to each Offeree on the date of the Offer at least ten Business Days (**Offer Period**) before the date fixed for completion of the Proposed Transfer (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall specify:
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer);
 - (b) the Offer Price and any other terms and conditions of the Offer;
 - (c) the Sale Date; and
 - (d) the number of shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer.
- 22.4 The completion of the Proposed Transfer shall be conditional in all respects on:
- (a) the making of an Offer in accordance with this article 22.; and
 - (b) the completion of the transfer of any shares by any Offeree (each an **Accepting Offeree**) who accepts the Offer within the Offer Period,

and the directors shall refuse to register any Proposed Transfer made in breach of this article 22.4.

- 22.5 The Proposed Transfer is, but the purchase of shares from Accepting Offerees pursuant to an Offer made under this article 22. shall not be, subject to the pre-emption provisions of article 19..

23. Drag along

- 23.1 If the holders of 75% by nominal value of the shares in issue for the time being (**Selling Shareholders**) wish to transfer all of their interest in shares (**Sellers' Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in shares to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 23..

- 23.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (**Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their shares (**Called Shares**) pursuant to this article 23.;
- (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
- (c) the consideration payable for the Called Shares calculated in accordance with article 23.4; and
- (d) the proposed date of completion of transfer of the Called Shares.

- 23.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the directors. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

- 23.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of article 15.1 (Capital Rights).

- 23.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 23.

- 23.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless:

- (a) all of the Called Shareholders and the Selling Shareholders otherwise agree; or

- (b) that date is less than ten Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place ten Business Days after the date of service of the Drag Along Notice.
- 23.7 Within ten Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those shares (or a suitable indemnity in respect thereof) to the company. On the expiration of that ten Business Day period the company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 23.4 to the extent the Proposed Buyer has put the company in the requisite funds. The company's receipt for the amounts due pursuant to article 23.4 shall be a good discharge to the Proposed Buyer. The company shall hold the amounts due to the Called Shareholders pursuant to article 23.4 in trust for the Called Shareholders without any obligation to pay interest.
- 23.8 To the extent that the Proposed Buyer has not, on the expiration of the ten Business Day period, put the company in funds to pay the amounts due pursuant to article 23.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant shares and the Called Shareholders shall have no further rights or obligations under this article 23. in respect of their shares.
- 23.9 If any Called Shareholder fails to deliver to the company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of shares under this article 23..
- 23.10 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, whether or not pursuant to a Share Option Scheme (**New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 23. shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this article 23.10 to a person becoming a shareholder (or increasing an existing shareholding) shall include the company, in respect of the acquisition of any of its own shares.
- 23.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct)

pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of article 19..

- 23.12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

Decision making by shareholders

24. Poll votes

- 24.1 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.
- 24.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

25. Proxies

- 25.1 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".
- 25.2 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

26. Means of communication to be used

- 26.1 Subject to article 26.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - (b) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
 - (c) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
 - (d) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - (e) if sent or supplied by e-mail, on transmission; or

- (f) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (g) if deemed receipt under the previous paragraphs of this article 26.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

26.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- (c) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

27. Indemnity

27.1 Subject to article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs; and
- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 27.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

27.3 In this article:

- (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- (b) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated

company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

28. Insurance

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

28.2 In this article:

- (a) a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- (c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.