

Company Number 08096200

THE COMPANIES ACT 2006

PRIVATE COMPANY

LIMITED BY SHARES

WRITTEN RESOLUTION

OF

Lord Accounting & Finance Limited (the "Company")

On 3 November 2016 the following special resolution was duly passed in accordance with Chapter 2 of Part 13 of the Companies Act 2006

SPECIAL RESOLUTION

THAT the new articles of association in the form attached hereto be adopted as the new articles of association of the Company, in substitution for, and to the entire exclusion of the existing articles of association of the Company



Director

FRIDAY



A11 *A5J2AECY* 04/11/2016 #399
COMPANIES HOUSE

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

LORD ACCOUNTING AND FINANCE LIMITED

(Adopted by special resolution passed on 3 November 2016)

INTRODUCTION

1. INTERPRETATION

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

Act means the Companies Act 2006

appointor has the meaning given in article 11.1

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

Bad Leaver an Employee who becomes a Departing Employee in circumstances where he is not a Good Leaver

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

Deemed Transfer Notice a Transfer Notice which is deemed to have been served by any of the provisions of these Articles

Departing Employee an Employee who ceases to be a director or employee of, or consultant to, the Company

eligible director means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter)

Employee an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, the Company

Family Members in relation to any Shareholder, that Shareholder's spouse and children (including step and adopted children) provided in each case they are at least 18 years old

Family Trust in relation to a Shareholder, a trust

- (a) of which that Shareholder is the settlor which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder and/or a Family Member of that Shareholder, and
- (b) under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees, that Shareholder or any Family Member of that Shareholder,

and "trust" includes a trust arising under a settlement, or declaration of trust, inter vivos but excludes testamentary disposition or a trust arising on an intestacy

Good Leaver an Employee who becomes a Departing Employee by reason of

- (a) death,
- (b) permanent disability or permanent incapacity through ill-health,
- (c) retirement at normal retirement age, or
- (d) dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or constructive

Independent Expert the auditors 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 10 Business Days of the expiry of the 15 Business Day period referred to in article 19.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator)

Model Articles means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles

Ordinary A Shares the ordinary A shares of £1 each in the capital of the Company

Ordinary B Shares the ordinary B shares of £1 each in the capital of the Company

Ordinary C Shares the ordinary C shares of £1 each in the capital of the Company

Shareholder Consent the prior written consent of the holder(s) for the time being of not less than 60% by nominal value of all Shares

Shares the Ordinary A Shares, the Ordinary B Shares and the Ordinary C Shares, or any of them as the context requires and the provisions of these Articles shall be construed accordingly

Share Sale the sale of (or the grant of a right to acquire or to dispose of) all Shares (in one transaction or as a series of transactions)

Transfer Notice has the meaning given in article 18.2

Transfer Price has the meaning given in article 19

- 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

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

4. QUORUM FOR DIRECTORS' MEETINGS

4 1 Subject to article 4 2, 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 has 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 two

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 articles 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. DIVIDENDS, LIQUIDATION PREFERENCE & PURCHASE OF OWN SHARES

- 15 1 Subject to the Act, the Board may in their absolute discretion declare and pay dividends to any class (or classes) of Shares (ie to one or more classes of Shares and not others) and any such dividend declared and paid shall be distributed to the individuals registered as holders of Shares within each class of Share pro rata according to the number of Shares held by them respectively on such date determined in accordance with this article 15 1
- 15 2 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in distributing the balance among the holders of the Shares pro rata to the number of Shares held, as if they all constituted shares of the same class
- 15 3 The proceeds of a Share Sale shall be distributed in the order of priority set out in article 15 2
- 15 4 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

DECISION MAKING BY SHAREHOLDERS

16. VOTING & POLL VOTES

- 16 1 Subject to any other provisions in these Articles concerning voting rights, each Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company
- 16 2 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
- 16 3 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

17. PROXIES

- 17.1 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"
- 17.2 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

18. TRANSFER OF SHARES

- 18.1 Any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 18
- 18.2 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) the number of Shares he wishes to transfer (Sale Shares),
 - (b) the name of the proposed transferee, if any,
 - (c) the price which he is prepared to accept for the Sale Shares (Proposed Sale Price),
 - (d) whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a Minimum Transfer Condition)
- 18.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice
- 18.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 18.5 As soon as practicable following the later of
- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
 - (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 18 3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 18 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

18 6 An offer of Sale Shares made in accordance with article 18 5 shall remain open for acceptance for a period from the date of the offer to the date 15 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 18 7 and article 18 8.

18 7 Subject to article 18 6, the Directors shall offer the Sale Shares to Shareholders (other than the Seller if appropriate), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the Offer Period) for the maximum number of Sale Shares they wish to buy.

18 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 Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Offer Shareholders (other than 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 Shareholder 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 18 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 18 8(a). The procedure set out in this article 18 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

at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the provisions of article 18 9 shall apply.

18 9 Where the Transfer Notice contains a Minimum Transfer Condition

- (a) any allocation made under article 18 6 shall be conditional on the fulfilment of the Minimum Transfer Condition, and
- (b) if the total number of Sale Shares applied for under article 18 6 is less than the number of Sale Shares, the board shall notify the Seller and all those Shareholders 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

18 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,

18 11 the Directors shall, when no further offers or allocations are required to be made under article 18 6, give notice in writing of the allocations of Sale Shares (an Allocation Notice) to the Seller and each Shareholder 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 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice)

18 12 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

18 13 If the Seller fails to comply with article 18 12

- (a) the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller
- (b) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- (c) 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
- (d) (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

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 board may reasonably require to prove good title to those Shares) to the Company

18 14 Where a Transfer Notice lapses pursuant to article 18 9(b) or an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 10 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) 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 18 14 shall continue to be subject to any Minimum Transfer Condition

- 18 15 On a transfer of any Share as permitted by these articles
- (a) a Share transferred to a non-shareholder shall remain of the same class as before the transfer, and
 - (b) a Share transferred to a Shareholder shall automatically be redesignated on a transfer as a share of the same class of those Shares already held by the Shareholder
- 18 16 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 (acting with Shareholder Consent) may determine
- 18 17 If an Employee becomes a Departing Employee a Transfer Notice shall, unless the Directors (with Shareholder Consent) otherwise direct in writing in respect of any particular Shares prior to or within 20 Business Days after the relevant Termination Date, be deemed to have been served on the relevant Termination Date in respect of all Shares held by him, any of his Family Members and/or Family Trust(s) (a Compulsory Employee Transfer) and any Transfer Notice served in respect of any of such Shares before the date such Employee becomes a Departing Employee shall automatically lapse
- 18 18 Notwithstanding any other provisions of these Articles, the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee is
- (a) a Bad Leaver, be restricted to a maximum of the lower of the aggregate issue price of such Sale Shares and the aggregate Fair Value of such Sale Shares, and
 - (b) a Good Leaver, be the aggregate Fair Value of such Sale Shares
- 18 19 Notwithstanding the provisions of article 18 18, the Company may with Shareholder Consent, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 18 18
- 18 20 Forthwith upon a Transfer Notice being deemed to be served under this article 18, the Shares subject to the relevant Deemed Transfer Notice (Restricted Shares) shall cease to confer on the holder of them any rights
- (a) 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,

- (b) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (c) to participate in any future issue of Shares issued in respect of those Shares
- 18 21 The Directors may (with Shareholder Consent) reinstate the rights referred to in article 18 20 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to this article 18 on completion of such transfer
- 18 22 Notwithstanding any of the foregoing provisions of these Articles, a holder of Shares may sell transfer, assign, pledge, charge or otherwise dispose of any Share or any interest in any Share to a Family Member or to a Family Trust
- 18 23 Notwithstanding any of the foregoing provisions of these Articles, a holder of Ordinary C Shares may sell transfer, assign, pledge, charge or otherwise dispose of any Share (including whether by will or other testamentary disposition or otherwise) or any interest in any Share to a holder of Ordinary B Shares (subject to the provisions of article 18 15)
- 19. VALUATION
- 19 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 15 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 board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share
- 19 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 on the basis of 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

- 19 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
- 19 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
- 19 5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 19 6 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)
- 19 7 The Independent Expert shall be requested to determine the Fair Value within 30 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
- 19 8 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
- (a) the Seller withdraws the relevant Transfer Notice in accordance with article 18 3, or
 - (b) 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

ADMINISTRATIVE ARRANGEMENTS

20. MEANS OF COMMUNICATION TO BE USED

- 20 1 Subject to article 20 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, one hour after the notice, document or information was sent or supplied, 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 20 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

20 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

21. INDEMNITY

21 1 Subject to article 21 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

- (a) each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
 - (i) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
 - (ii) in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any

finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the company's (or any associated company's) affairs, and

- (b) the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 21 1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

21 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

21 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)

22. INSURANCE

22 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

22 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