



brownejacobson

Dated 4 September 2023

**ARTICLES OF ASSOCIATION
BRUNEL SECURITY LIMITED**

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COMPANY NO. 08203597

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BRUNEL SECURITY LIMITED

(Adopted by special resolution passed on 4 September 2023)

Introduction

1 Interpretation

1.1 In these Articles, the following words have the following meanings:

A Director	any director appointed by the A Shareholder in accordance with Article 10.1;
A Shares	A ordinary shares of £1.00 each in the capital of the Company;
A Shareholder	the holder of the A Shares from time to time;
A Shareholder Consent	the written consent of the A Shareholder;
Acquisition Agreement	the share purchase agreement relating to the issued share capital of the Company entered into on or around the Adoption Date between (1) the Buyer and (2) the Sellers (each term as defined in such agreement);
Acting in Concert	has the meaning given to that phrase in the UK's Takeover Code issued by The Panel on Takeovers and Mergers (as amended from time to time);
Adoption Date	the date of adoption of these Articles;
Appointor	has the meaning given in Article 11.1;
Articles	the Company's articles of association for the time being in force;
Asset Sale	the sale or other disposal (whether by one transaction or a series of connected transactions) to a bona fide third party purchaser on arms' length terms after Completion of: (a) all or substantially all of the business, assets,

property or undertaking of the Company;

- (b) all or substantially all of the business, assets, property or undertaking of the Group Companies as a whole; or
- (c) 50% or more of the issued share capital of any Group Company or the Group Companies to the extent that it or they comprise the whole or a substantial part of the business, assets, property or undertaking of the Group Companies;

Bad Leaver

means a Leaver whose reason the Leaver ceases to be an Employee is either:

- (a) that they voluntarily resign as an Employee other than as a result of death, mental or physical ill health provided that such ill health:
 - a. is not caused by or related to alcohol or drug dependency; or
 - b. is determined by the Board acting reasonably (having sought independent medical opinion) as resulting in them being unable to perform all or substantially all of their duties as an Employee;
- (b) that their employment or appointment is terminated by any Group Company due to circumstances which would entitle that the Company to summarily dismiss them in accordance with the terms of their employment contract;

B Director

the director appointed by the B Shareholder in accordance with Article 10.4;

B Shares

B ordinary shares of £1.00 each in the capital of the Company;

B Shareholder

any holder of B Shares from time to time;

B Shareholder Consent

the written consent of the B Shareholder;

Board

the board of directors of the Company;

Business Day

a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

Buyer

has the meaning given in Article 21.1;

CA 2006

the Companies Act 2006;

Called Shares

has the meaning given in Article 22.1;

Cap, Capping, Capped and Capped Amount	has the meaning given in Article 13;
Cessation Date	means the earlier of the date on which the Leaver ceases to be an Employee or, where the relevant person will become a Leaver because they have given, or been given notice that they will cease to be an Employee, the date on which their notice period expires;
Companies Acts	has the meaning set out in Section 2, CA 2006;
Completion	has the meaning given to it in the Acquisition Agreement;
Conflict	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
Connected	has, in relation to a person, the meaning given in section 1122 of the Corporation Tax Act 2010;
Controlling Interest	an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
Drag Along Option	has the meaning given in Article 22.1;
Drag Along Notice	has the meaning given in Article 22.2;
Drag Completion Date	has the meaning given in Article 22.5;
EBITDA	earnings in any given period but before deducting interest, tax, depreciation and amortisation in respect of that period;
Eligible Director	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	means a B Shareholder who is employed by, or is a consultant to, any Group Company and/or holds office of executive or non-executive director in the Company;
Encumbrance	any interest or equity of any person (including any right to acquire, option or right of pre-emption, conversion, first refusal or set off) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention, lease, preference, impairment or any other encumbrance, security agreement or arrangement, or any agreement to create any of the above;
Exit	a Share Sale, an Asset Sale, a Liquidation, or a Listing, but where the context applies to any Holding Company, the references in the definitions of Share Sale, Asset Sale,

	Liquidation or Listing to the Company shall mean any Holding Company;
Exit Proceeds	means the consideration (including any deferred or contingent consideration) offered by the Buyer pursuant to the Proposed Transfer after payment of all liabilities and available for distribution to the shareholders on an Exit;
Fair Value	the fair value of the Shares concerned on the following assumptions and bases: <ul style="list-style-type: none"> (a) to disregard the rights and restrictions attached to the Shares in respect of income, capital and transfer; (b) to assume that the sale is on an arms' length basis between a willing vendor and a willing purchaser; (c) to disregard whether or not the shares represent a minority or majority interest; (d) to take no account of whether the shares do or do not carry control of the Company; and (e) if the Company is then carrying on business as a going concern, to assume that it will continue to do so in the same manner as immediately prior to the date of the Transfer Notice or deemed Transfer Notice giving rise to the valuation;
FSMA	the Financial Services and Markets Act 2000;
Good Leaver	a Leaver who is not a Bad Leaver;
Group	in relation to a company, that company, any direct or indirect subsidiary or subsidiary undertaking or any direct or indirect parent undertaking from time to time of that company, and any direct or indirect subsidiary or subsidiary undertaking from time to time of each such a parent undertaking of that company. Each company in a Group is a member of the Group;
Group Companies	the Company and each direct and indirect subsidiary undertaking of the Company from time to time from and after Completion (each being a Group Company);
Holding Company	as at the Adoption Date, means Project Ignis Topco Limited (registered with company number: 14628358) and, subsequently, means any direct or indirect parent undertaking of the Company from time to time;
Holding Company Exit	an Exit in respect of any Holding Company (and for these purposes Exit, Share Sale, Asset Sale, Liquidation or Listing (as each are defined in these Articles) shall apply <i>mutatis mutandis</i> as if references therein to the Company are

reference to any Holding Company));

Indebtedness

means

- (a) overdrafts, any moneys borrowed and any other liabilities of a funding nature;
- (b) any amount raised by way of acceptance under any acceptance credit facility;
- (c) receivables sold or discounted (other than any receivables sold on a non-recourse basis);
- (d) liabilities under sale and leaseback arrangements;
- (e) the amount of any liability in respect of any lease or hire purchase contract which would, in accordance with generally accepted accounting principles be treated as a finance or capital lease;
- (f) any amount raised under any other transaction (including any forward sale or purchase agreement) having the commercial effect of a borrowing;
- (g) any amount raised pursuant to any note purchase facility or the issue of bonds, notes, debentures, loan stock or any similar instrument;
- (h) any derivative transaction entered into in connection with protection against or benefit from fluctuation in any rate or price;
- (i) any counter-indemnity obligation in respect of a guarantee, indemnity, bond, standby or documentary letter of credit or any other instrument issued by a bank or financial institution;
- (j) any deferred or contingent consideration in relation to any acquisition of any business, asset or undertaking;
- (k) any corporation tax;
- (l) any break fees, prepayment fees or other amounts, interest, costs, expenses or penalties relating to the termination or repayment of any of the items referred to in paragraphs (a) to (k);
- (m) the amount of any liability in respect of any guarantee or indemnity in respect of any of the items referred to in paragraphs (a) to (m),

in each case relating to the Company or any of its subsidiary undertakings (as applicable) only;

Interested Director	has the meaning given in Article 8.1;
Leaver	means an Employee who ceases to be so for whatever reason;
Leaver Sale Price	has the meaning given in Article 20.2;
Leaver's Shares	means, in relation to a Leaver, all Shares which are held by him or his Privileged Relations or another B Shareholder, or any nominees of the Leaver or such parties, other than shares held by Privileged Relations that the Board declares itself satisfied were not acquired either directly or indirectly from the Leaver or by reason of the Privileged Relation's connection with the Leaver and the decision of the Board in this respect will, in the absence of manifest error, be final and binding;
Liquidation	the liquidation, dissolution or winding-up of the Company pursuant to the making of a winding-up order by the court on the passing of a resolution by the shareholders that the Company be wound up or dissolved (save for a solvent winding-up for the purpose of reconstruction or amalgamation previously approved by a resolution of the shareholders);
Listing	the becoming effective after Completion of the application and admission of all or any of the shares in the capital of the Company (or any securities representing such shares) to a Stock Exchange and the Listing shall be treated as becoming effective on the day on which trading in any such securities begins;
Model Articles	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 Adoption Date and reference to a numbered Model Article is a reference to that article of the Model Articles;
Offer	has the meaning given in Article 21.2;
Offer Notice	has the meaning given in Article 21.3;
Offer Shares	has the meaning given in Article 21.3;
Offered Shares	has the meaning given in Article 16.2;
parent undertaking	has the meaning given in Article 1.5;
Permitted Group	in relation to a company, any wholly owned subsidiary undertaking of that company, any company of which it is a subsidiary undertaking (its parent undertaking) and any other wholly-owned subsidiary undertakings of any such

	parent undertaking; and each company in a Permitted Group is a member of the Permitted Group . Unless the context otherwise requires, the application of the definition of Permitted Group to a company at any time will apply to the company as it is at that time;
Permitted Transfer	a transfer of shares made in accordance with Article 18;
Permitted Transferee	in relation to the A Shareholder, any member of the same Permitted Group as the A Shareholder;
Privileged Relation	means in relation to a member, the spouse, civil partner or widow, widower or surviving civil partner, children (including step and adopted children and grandchildren) of the member;
Proposed Buyer	has the meaning given in Article 22.1;
Proposed Transfer	has the meaning given in Article 21.1;
Proposing Shareholder	has the meaning given in Article 16.1;
Put Option Completion Date	has the meaning given in Article 23.2;
Put Option Exercise Notice	has the meaning given in Article 23.2;
Put Option Price	has the meaning given in Article 23.1;
Put Option Shares	has the meaning given in Article 23.1;
Sale Price	has the meaning given in Article 16.3;
Seller	has the meaning given in Article 21.1;
Share	any share in the issued share capital of the Company from time to time;
Share Sale	the sale, transfer or other disposal of any interest in shares (including pursuant to any merger or scheme of arrangement) in the capital of the Company after Completion (whether in one transaction or a series of transactions) on arms' length terms which results in a bona fide third party purchaser (whether alone or together with any persons(s) Acting in Concert with it) obtaining a Controlling Interest in the Company;
Shareholder	any holder of Shares from time to time;
Shareholders' Agreement	the shareholders' agreement relating to the Company entered into on the Adoption Date between (1) the A Shareholder (as defined therein), (2) the B Shareholder (as

	defined therein) and (3) the Company;
Specified Price	<p>the consideration payable to the B Shares as a class which will be calculated as follows:</p> <p>(a) on an Exit relating to the Company, 10% of the Exit Proceeds; or</p> <p>(b) on a Holding Company Exit, 10% of the amount calculated as follows:</p> <p>(i) 5.5 x Company EBITDA in respect of the last accounting period preceding such Holding Company Exit up to and including £252,000; plus</p> <p>(ii) 6 x Company EBITDA in respect of the last accounting period preceding such Holding Company Exit in excess of £252,000 and up to and including £450,000 (if applicable); plus</p> <p>(iii) the multiple of the Holding Company EBITDA applied on the Holding Company Exit in order to determine the enterprise value of the Holding Company and its direct and indirect subsidiary undertakings x Company EBITDA in respect of the last accounting period preceding such Holding Company Exit in excess of £450,000 (if applicable); minus</p> <p>(iv) Indebtedness;</p>
Stock Exchange	The London Stock Exchange plc (including AIM operated by the London Stock Exchange plc) or any other recognised investment exchange (as defined by Section 285, FSMA), any recognised overseas investment exchange (as defined by Section 292, FSMA) or any investment exchange included in the Financial Conduct Authority's list of designated investment exchanges and their respective share dealing markets;
subsidiary	has the meaning given in Article 1.5;
subsidiary undertaking	has the meaning given in Article 1.5;
Total Transfer Condition	has the meaning given in Article 16.2;
Transfer Date	has the meaning given in Article 21.3;
Transfer Notice	has the meaning given in Article 16.1;
Valuer	a firm of chartered accountants appointed in accordance with Article 17; and

Writing or written the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of Article 18 and Article 22, “writing” or “written” shall not include the sending or supply of notices, documents or information in electronic form.

- 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 CA 2006 shall have those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 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 A reference to a **subsidiary** means a subsidiary as defined in section 1159 of the CA 2006 and a reference to a **subsidiary undertaking** or a **parent undertaking** shall mean a subsidiary undertaking or a parent undertaking as defined in section 1162 of the CA 2006 and a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
 - 1.5.1 another person (or its nominee), by way of security or in connection with the taking of security; or
 - 1.5.2 its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the CA 2006 shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members’ rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

- 1.6 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.
- 1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 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.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

2 Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 30, 34, 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words “(including alternate directors)” before the words “properly incur”.
- 2.4 In Model Article 25(2)(c), the words “evidence, indemnity and the payment of a reasonable fee” shall be deleted and replaced with the words “evidence and indemnity”.

Directors

3 Directors’ meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with Article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors’ meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.
- 3.4 If at any time before or at any meeting of the directors or of any committee of the directors all participating Directors should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.
- 3.5 The provisions of Article 6 shall apply equally to meetings of any committee of the directors as to meetings of the directors.
- 3.6 In the event of an equal amount of votes for and against any decision or resolution at a meeting of directors, an A Director shall have a casting vote.

4 Unanimous decisions of directors

- 4.1 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.

- 4.2 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.

5 Calling a directors' meeting

- 5.1 Any director may call a meeting of directors by giving not less than three Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by the B Director) to each director or by authorising the Company secretary (if any) to give such notice.

- 5.2 Notice of any directors' meeting must be accompanied by:

5.2.1 an agenda specifying in reasonable detail the matters to be raised at the meeting; and

5.2.2 copies of any papers to be discussed at the meeting.

- 5.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors agree in writing.

6 Quorum for directors' meetings

- 6.1 Subject to Article 6.3 and/or 6.4, the quorum at any meeting of the directors (including adjourned meetings) shall be two directors.

- 6.2 No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.

- 6.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 7 Business Days at the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified, then those Eligible Directors present will constitute a quorum.

- 6.4 For the purposes of any meeting (or part of a meeting):

6.4.1 held pursuant to Article 8 to authorise a Conflict of one or more A Directors; or

6.4.2 at which one or more A Directors are not permitted to vote on any resolution in accordance with Article 8.3 as a result of a Conflict,

the quorum for such meeting (or part of a meeting) shall not require an A Director.

7 Chairing of directors' meetings

- 7.1 The directors may appoint a director to chair their meeting.

- 7.2 The chairperson shall not have a casting vote. If the chairperson for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed him shall be entitled to appoint another of its nominated directors to act as chairperson at the meeting.

8 Directors' interests

- 8.1 The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not so authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the CA 2006 to avoid conflicts of interest.
- 8.2 Any authorisation under this Article will be effective only if:
- 8.2.1 to the extent permitted by the CA 2006, 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;
 - 8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this Article may (whether at the time of giving the authorisation or subsequently):
- 8.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.3.2 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;
 - 8.3.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 8.3.5 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
 - 8.3.6 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.

- 8.4 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.
- 8.5 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.
- 8.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under Article 8.1 shall be necessary in respect of any such interest.
- 8.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.8 Subject to sections 177(5) and 177(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the CA 2006.
- 8.9 Subject to sections 182(5) and 182(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the CA 2006, unless the interest has already been declared under Article 8.8.
- 8.10 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 8.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the CA 2006, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 8.10.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - 8.10.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - 8.10.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or to participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;

- 8.10.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 8.10.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 8.10.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the CA 2006)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the CA 2006.

9 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 a form that enables the Company to retain a copy of such decisions.

10 Appointment and removal of directors

- 10.1 The A Shareholder shall have the right to appoint and maintain in office up to three natural persons from time to time as the A Shareholder may from time to time nominate as A Directors and to remove any A Director so appointed and, upon his removal (whether by the A Shareholder or otherwise), to appoint another A Director in his place.
- 10.2 Appointment and removal of an A Director in accordance with Article 10.1 shall be by written notice from the A Shareholder to the Company which shall take effect on delivery at the Company's registered office or at any meeting of the directors of the Company.
- 10.3 The right to appoint and to remove an A Director under this article shall be a class right attaching to the A Shares.
- 10.4 Whilst Richard Jenkins is a B Shareholder and an Employee he shall be entitled to be appointed as a B Director of the Company.
- 10.5 If no B Shares remain in issue following a redesignation under these Articles, any director appointed by shareholders of that class shall, at the sole discretion of the Company, be deemed to have resigned and been removed from office as from the date of such redesignation.
- 10.6 No A Director or B Director shall be appointed or removed otherwise than pursuant to these Articles or the Shareholders' Agreement, save as provided by law.

11 Alternate directors

- 11.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) other than an existing director representing any other class of shares, to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the terms "A Director" and "B Director" shall include an alternate director appointed by that A Director or B Director. A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares, but not otherwise.
- 11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.
- 11.3 The notice must:
- 11.3.1 identify the proposed alternate; and
 - 11.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.
- 11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.
- 11.5 Except as these Articles specify otherwise, alternate directors:
- 11.5.1 are deemed for all purposes to be directors;
 - 11.5.2 are liable for their own acts and omissions;
 - 11.5.3 are subject to the same restrictions as their Appointors; and
 - 11.5.4 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.
- 11.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:
- 11.6.1 be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and
 - 11.6.2 participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).
- 11.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.

- 11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.
- 11.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- 11.9.1 when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
 - 11.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
 - 11.9.3 when the alternate director's Appointor ceases to be a director for whatever reason.

Shares

12 Share capital

- 12.1 Except as otherwise provided in these Articles, the A Shares and the B Shares shall rank pari passu in all respects but shall constitute separate classes of Shares.
- 12.2 On a return of capital, whether on a liquidation, capital reduction, Exit or otherwise, any surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of Shares as follows:
- 12.2.1 10% to the holders of B Shares; and
 - 12.2.2 the balance to the holders of A Shares,
- provided always that no Capped Shares shall be allocated any amount to the extent that the aggregate amount allocated to it would exceed its Capped Amount. Any part of the aggregate amount not allocated to any Capped Share shall be allocated to the other Shares eligible to participate in the allocation concerned pro rata to their respective entitlements to participate in that allocation.
- 12.3 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this Article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

12.4 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:

12.4.1 any alteration of these Articles;

12.4.2 any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital; or

12.4.3 any resolution to put the Company into liquidation.

12.5 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the CA 2006.

13 **Capped Shares**

13.1 The entitlement of a share to participate under Article 12.2 may be capped (**Capped**, and any such share being a **Capped Share**) at a specified maximum amount (its **Capped Amount**):

13.1.1 by agreement in writing between its then holder and the Company (with A Shareholder Consent); or

13.1.2 as provided in Article 20.2.

13.2 If a share is Capped, it shall remain so Capped unless and until otherwise agreed by written agreement between its then holder and the Company, provided that agreement is first approved by Investor Consent.

13.3 A Capped Share shall not carry any fixed or priority entitlement to receive its Capped Amount under Article 12.2 but its entitlement under that Article (had it not been Capped) will be limited to that Capped Amount, if lower.

13.4 A Capped Share shall not entitle its holder to participate in any pre-emptive offer of shares.

14 **Conversion on transfer**

14.1 Any B Shares transferred or issued to an A Shareholder shall (without further authority than is contained in this Article) upon their transfer automatically convert into A Shares (on the basis of one A Share for each B Share) having all the rights, privileges and restrictions attaching to the A Shares set out in these Articles.

14.2 Any A Shares transferred or issued to a B Shareholder shall (without further authority than is contained in this Article) upon their transfer automatically convert into B Shares (on the basis of one B Share for every A Share) having all the rights, privileges and restrictions attaching to the B Shares set out in these Articles.

14.3 If no A Shares or B Shares remain in issue following a conversion under this Article 14, these Articles shall be read as if they do not include any reference to that class of Shares or to any consents being required from, or attendance being required at

any meeting or votes requiring to be cast by, shareholders of that class or directors appointed by that class of Shares.

- 14.4 For the avoidance of doubt, a Share transferred to a person who is not an existing Shareholder shall remain of the same class as before the transfer.

15 Share transfers: general

- 15.1 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.

- 15.2 No B Share shall be transferred unless the transfer is made in accordance with the Shareholders' Agreement or these Articles, or otherwise with the prior written consent of the A Shareholder.

- 15.3 No A Share shall be transferred unless:

15.3.1 the transfer is made in accordance with these Articles, or otherwise with the prior written consent of the B Shareholder; or

15.3.2 such transfer constitutes the creation of an Encumbrance over the A Shares in favour of any person or entity who has agreed at any time to provide finance to the A Shareholder or any Permitted Transferee

- 15.4 Subject to Article 15.5, the directors must register any duly stamped transfer of Shares made in accordance with these Articles, and shall not have any discretion to register any transfer of Shares which has not been made in compliance with these Articles.

- 15.5 The Directors may, as a condition to the registration of any transfer of Shares (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of the Shareholders' Agreement, or any other shareholders' agreement (or similar document) in force between the Shareholders, in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this Article 15.5, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.

- 15.6 To enable the directors to determine whether or not there has been a transfer of Shares in breach of these Articles, the directors may from time to time require any Shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If A Shareholder fails to provide information or evidence in respect of any Shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such

directors may serve a notice on the Shareholder stating that the Shareholder shall not in relation to all Shares held by that Shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of Shares of that class, or to vote on a written resolution of the Shareholders or to receive dividends on the Shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.

- 15.7 Any transfer of Shares by way of a sale that is required to be made under Article 16 (Pre-emption procedure), Article 18 (Permitted transfers), Article 21 (Tag along) or Article 22 (Drag along) shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.

16 Pre-emption procedure

- 16.1 Except as otherwise permitted in these Articles any Shareholder who desires to transfer (or enter into an agreement to transfer) any interest in his or its Shares (**Proposing Shareholder**) must first offer them to the other Shareholders in accordance with this Article 16. Such offer may be in respect of all or part only of the Shares held by the Proposing Shareholder and shall be made by the Proposing Shareholder by notice in writing to the Company (a **Transfer Notice**).

- 16.2 The Transfer Notice shall specify the number of Shares offered (the **Offered Shares**) and the name and address of the proposed transferee(s) (if any). Save where it is required or deemed to be given under Article 19, the Transfer Notice may contain a provision that, unless all the Offered Shares are sold under this Article 16, none shall be sold (**Total Transfer Condition**) and that provision shall have effect. The Transfer Notice shall constitute the directors of the Company as the agent of the Proposing Shareholder for the sale of the Offered Shares at the Sale Price. Upon receipt, the Company shall promptly send the other Shareholders a copy of the Transfer Notice (or if appropriate, promptly notify the other Shareholders that a Transfer Notice is deemed to have been given).

- 16.3 The Sale Price means:

- 16.3.1 in the case of a deemed Transfer Notice given in accordance with Article 19.1, the nominal value of the relevant Shares;
- 16.3.2 in the case of a deemed Transfer Notice given in accordance with Article 20.1.1, the Leaver Sale Price; and
- 16.3.3 in all other cases, the price specified in the Transfer Notice by the Proposing Shareholder or, if none is specified, the Fair Value as at the date of the Transfer Notice as agreed between the Proposing Shareholder and the directors save that, if agreement is not reached within 10 Business Days of the day on which the Transfer Notice is given, either the Proposing Shareholder or the directors may refer determination of the Fair Value to a Valuer.

- 16.4 As soon as practicable after the determination of the Sale Price, the Company shall give notice to the Shareholders of the number of the Offered Shares, the Sale Price and whether or not the Offered Shares are subject to a Total Transfer Condition (**Offer Notice**). The Offer Notice shall invite the Shareholders to state in writing to the Company within 20 Business Days of such notice being given (**Offer Period**) whether they are willing to purchase any or all of the Offered Shares and, if so, the

maximum number (**Acceptance Notice**). The directors shall at the same time give a copy of the Offer Notice to the Proposing Shareholder.

- 16.5 In the event that a Shareholder delivers an Acceptance Notice to the Company to accept the offer made to it or him in accordance with Article 16.4 the relevant Shareholder shall, provided such Acceptance Notice satisfies any Total Transfer Condition, be bound on the fifth Business Day after the date on which such Acceptance Notice is given to pay the Sale Price for, and to accept a transfer of, the number of Offered Shares which it or he has stated it or he is willing to purchase in its or his Acceptance Notice, and the Proposing Shareholder shall be bound, on payment of the Sale Price, to transfer such Offered Shares to the relevant Shareholder.
- 16.6 If a Proposing Shareholder fails to execute and deliver a stock transfer form to effect a transfer of his or its Shares as required under this Article 16 or Article 19 or Article 20, subject to receipt of the Sale Price from the relevant Shareholder, the Company is irrevocably authorised to appoint any person it nominates for the purpose as agent to execute and deliver a stock transfer form to effect the transfer of the relevant Shares on the Proposing Shareholder's behalf and to do anything else that the relevant Shareholder may reasonably require to complete the sale. The Company shall (subject to Article 14 and the stamping of the transfer, if required) cause the name of the relevant Shareholder to be entered in the register of members of the Company as the holder of the relevant Shares and shall hold the Sale Price on trust for the relevant Shareholder. The receipt of the Company of the Sale Price shall be a good discharge to such Shareholder.
- 16.7 If, following the expiry of the Offer Period, a Shareholder has not delivered an Acceptance Notice to the Company in respect of any of the Offered Shares (or if any Acceptance Notice delivered does not satisfy any applicable Total Transfer Condition, in which case such Shareholder shall be deemed not to have delivered an Acceptance Notice to the Company in respect of any Offered Shares), the Proposing Shareholder may at any time within a period of three months after the expiry of the Offer Period transfer those Offered Shares to any person and at any price, provided that such price is not less than the Sale Price.

17 Valuation

- 17.1 Where a Valuer is to be appointed pursuant to these Articles, the relevant appointing Shareholder and the Company shall use all reasonable endeavours to reach agreement regarding the identity of the appropriate firm of chartered accountants to be appointed as the Valuer and to agree terms of appointment with the Valuer.
- 17.2 If the relevant appointing Shareholder and the Company fail to agree on a Valuer and its terms of appointment within 10 Business Days of either party serving details of a proposed Valuer on the other, either party shall be entitled to request the President for the time being of the Institute of Chartered Accountants of England and Wales to appoint the Valuer and to agree his terms of appointment in behalf of the relevant appointing Shareholder and the Company.
- 17.3 The relevant appointing Shareholder and the Company shall co-operate with the Valuer and shall provide (and in the case of the Company shall procure that each Group Company provides) such assistance and access to such documents, personnel, books and records as the Valuer may reasonably require for the purpose of making his determination.

- 17.4 The relevant appointing Shareholder and the Company shall be entitled to make submissions to the Valuer, and each party shall, with reasonable promptness, supply the other party with all such information and access to its documentation, books and records as the other party may reasonably require in order to make a submission to the Valuer in accordance with this Article 17.
- 17.5 Unless otherwise agreed by the relevant appointing Shareholder and the Company, the Valuer shall be required to make his determination in writing (including the reasons for his determination) and to provide a copy to each party as soon as reasonably practicable and in any event within 30 Business Days of his appointment.
- 17.6 The Valuer shall act as an expert and not as an arbitrator. Save in the event of manifest error or fraud the Valuer's determination of Fair Value shall be final and binding on the parties.
- 17.7 If an appointed Valuer dies or becomes unwilling or incapable of acting, or does not deliver his determination within the period required by this Article 17:
 - 17.7.1 the relevant appointing Shareholder and the Company shall use all reasonable endeavours to agree the identity and terms of appointment of a replacement Valuer;
 - 17.7.2 if the relevant appointing Shareholder and the Company fail to agree and appoint a replacement Valuer within 10 Business Days of a replacement being proposed in writing by one party, then either party may apply to the President for the time being of the Institute of Chartered Accountants of England and Wales to discharge the appointed Expert and to appoint a replacement Valuer; and
 - 17.7.3 this Article 17 shall apply in relation to each and any replacement Valuer as if he were the first Valuer appointed.
- 17.8 The relevant appointing Shareholder and the Company shall act reasonably and co-operate to give effect to the provisions of this Article 17 and shall not do anything to hinder or prevent the Valuer from reaching his determination.
- 17.9 The Valuer's fees and any costs or expenses incurred in making his determination shall be borne by the Company.
- 18 **Permitted transfers**
 - 18.1 The A Shareholder may at any time transfer all (and not some only) of its A Shares to a Permitted Transferee.
 - 18.2 A Permitted Transferee which becomes a holder of A Shares as a result of a Permitted Transfer under the provisions of this Article 18 may, at any time after such Permitted Transfer, transfer all (and not some only) of its A Shares back to the original A Shareholder (as at the Adoption Date) or to another Permitted Transferee of such original A Shareholder.
 - 18.3 If a Permitted Transfer has been made to a Permitted Transferee, and such Permitted Transferee ceases to be A Shareholder of the A Shareholder's Permitted

Group, then that Permitted Transferee shall within five Business Days of ceasing to be a Permitted Transferee transfer all of the A Shares held by it to:

18.3.1 the original A Shareholder (as at the Adoption Date); or

18.3.2 another Permitted Transferee of such original A Shareholder,

(which in either case is not in administration or liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this Article 18.3, any director of the Company shall execute a transfer of the A Shares as agent and on behalf of the Permitted Transferee and the Company shall register the original A Shareholder (as at the Adoption Date) as the holder of such A Shares. Failure to produce a share certificate shall not impede the registration of A Shares under this Article 18.3.

18.4 A transfer of Shares may be made to any person with A Shareholder Consent and B Shareholder Consent.

18.5 Each shareholder may transfer any Shares to the extent permitted by the Shareholders' Agreement.

19 Compulsory transfers

19.1 A B Shareholder is deemed to have served a Transfer Notice immediately before any of the following events and the provisions of Article 16 shall apply *mutatis mutandis*:

19.1.1 they are adjudged bankrupt; or

19.1.2 an interim order is made in respect of him or her under section 252 of Insolvency Act 1986 (IA); or

19.1.3 any proposal made by him or her for an Individual voluntary arrangement under Part VIII of the IA is granted; or

19.1.4 a resolution is passed for the entry into any arrangement or composition with or assignment for the benefit of his or her creditors; or

19.1.5 a distress, execution or other process shall be levied or enforced upon or against any of the assets or property of him or her and shall not be discharged within 14 days of being levied or enforced;

19.1.6 in the case of the events set out in clauses 19.1.1 to 19.1.5 (inclusive), any competent person takes any analogous step in any jurisdiction in respect of that B Shareholder; or

19.1.7 the B Shareholder commits a material or persistent breach of the Shareholders' Agreement or these Articles, which if capable of remedy has not been so remedied within 20 Business Days of the A Shareholder providing written notice requiring such remedy.

19.2 For the avoidance of doubt, if the A Shareholder does not deliver an Acceptance Notice in accordance with Article 16, the B Shareholder shall continue to hold the B

Shares in question and the provisions of these Articles and the Shareholders' Agreement shall continue to apply.

- 19.3 If the B Shareholder fails to complete a transfer of B Shares as required under this Article 19, the A Shareholder is irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the B Shares on the B Shareholder's behalf and to do anything else that the B Shareholder may reasonably require to complete the sale, and the Company may receive the purchase price in trust for the B Shareholder (without any obligation to pay interest), giving a receipt that shall discharge the A Shareholder.
- 19.4 Any B Shares to which Article 19.1 applies shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of Shares in the capital of the Company and such B Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise. Such rights shall be restored immediately upon a Share Sale, a Listing or, unless the A Shareholder directs otherwise, the Company registering a transfer of the relevant B Shares pursuant to these Articles.

20 Employee Shares

20.1 Unless A Shareholder Consent is given to the contrary:

- 20.1.1 if an Employee becomes a Leaver, the Employee shall be deemed to have served a Transfer Notice on the Cessation Date (or such later date (if any) as the A Shareholder and the Leaver may agree) in respect of 50% only of their Leaver's Shares;
- 20.1.2 any existing Transfer Notice relating to a Leaver's Shares or any of them in force at the Cessation Date shall immediately be cancelled and no further Transfer Notice shall be issued or be deemed to be issued in respect of the relevant Leaver's Shares except pursuant to this Article 20;
- 20.1.3 no Leaver's Shares shall be transferred pursuant to Article 18 until the Leaver can no longer be bound to transfer them under this Article 20; and
- 20.1.4 all Leaver's Shares whether or not subject to a deemed Transfer Notice under Article 20.1.1 (and any shares issued or transferred to the Leaver or to which the Leaver otherwise subsequently becomes entitled after the Cessation Date whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of the Leaver's Shares or otherwise) shall, unless the A Shareholder directs otherwise, cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of any class of shares in the capital of the Company and such shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these

Articles or otherwise. Such rights shall be restored immediately upon a Sale, a Listing or, unless the A Shareholder directs otherwise, the Company registering a transfer of the relevant Leaver's Shares pursuant to these Articles.

20.2 The price for the Leaver's Offered Shares ("**Leaver Sale Price**") shall be Capped at their Capped Amount which shall be:

20.2.1 in the case of a Bad Leaver £1.00 in aggregate; and

20.2.2 in the case of a Good Leaver, their Fair Value based on 5.5 times multiple of the lower of (i) EBITDA derived from the Company's audited accounts in respect of the accounting period ending prior to the Cessation Date or (ii) EBITDA derived from the Company's audited accounts in respect of the last accounting period preceding an Exit or Holding Company Exit,

and the Fair Value for the relevant Leaver's Offered Shares referred to above shall be as agreed between the transferor and the Board (with A Shareholder Consent) save that if agreement is not reached within 10 Business Days of the day on which the Transfer Notice is deemed to be given, either the transferor or the A Shareholder may refer determination of Fair Value to the Valuer in accordance with Article 17 and the resulting Leaver Sale Price shall be paid on an Exit, and any such Capping shall take effect on the date agreed or determined.

The holder of such Capped Shares shall promptly and in any event within 14 days of such notice surrender to the Company the certificates for their shares so Capped for endorsement as Capped Shares.

20.3 The price for the 50% of the Leaver's Shares retained by a Leaver (**Leaver's Retained Shares**) shall be their Fair Value based on 5.5 times multiple of the lower of (i) EBITDA derived from the Company's audited accounts in respect of the accounting period ending prior to the Cessation Date or (ii) EBITDA derived from the Company's audited accounts in respect of the last accounting period preceding an Exit or Holding Company Exit and the Fair Value for the relevant Leaver's Retained Shares referred to above shall be as agreed between the transferor and the Board (with A Shareholder Consent) save that if agreement is not reached within 10 Business Days of the day on which the Transfer Notice is deemed to be given, either the transferor or the A Shareholder may refer determination of Fair Value to the Valuer in accordance with Article 16 and the resulting Sale Price shall be paid on an Exit.

21 Tag along

21.1 The provisions of Article 21.2 to Article 21.5 shall apply if the A Shareholder (**Seller**) proposes to transfer all (and not some only) of its A Shares (**Proposed Transfer**) to a bona fide or purchaser or purchasers Acting in Concert on arm's length terms (**Buyer**).

21.2 Before making a Proposed Transfer, the Seller shall procure that the Buyer shall make an offer (**Offer**) to each and every B Shareholder to purchase all (and not some only) of the Shares held by all B Shareholders for the Specified Price. To the extent that under the terms of the Proposed Transfer the A Shareholder shall be entitled to receive any non-cash consideration and/or deferred or contingent consideration for

its A Shares, the Specified Price each B Shareholder shall receive shall be the value in cash he would have been entitled to receive on the proposed transfer date had that non-cash consideration been received in cash, and any deferred or contingent consideration shall be payable to the B Shareholders in the same amount(s) (proportional on a pro-rata basis to that which is paid to the A Shareholder) and on the same date(s) as is paid to the A Shareholder. Any equivalent value in cash for the purposes of this Article 21.2 shall be either as agreed between the Company and the B Shareholders' (each acting reasonably) or, if the Company and the B Shareholders cannot agree such value within 15 Business Days of the date of commencing discussions in relation to the same, by a Valuer in accordance with Article 17.

21.3 The Offer shall be made by written notice (**Offer Notice**) from the Buyer to each B Shareholder, given at least 15 Business Days before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

21.3.1 the identity of the Buyer;

21.3.2 the Specified Price, the basis on which the Specified Price has been calculated and any other terms and conditions of payment (and, where there is deferred or contingent consideration, any applicable payment date(s) for such deferred or contingent consideration);

21.3.3 the Transfer Date; and

21.3.4 that the Buyer is to purchase all (and not some only) of the Shares held by each B Shareholder (**Offer Shares**).

21.4 If the Buyer fails to make the Offer to each B Shareholder in accordance with Article 21.2 and Article 21.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares in connection with the Proposed Transfer.

21.5 If the Offer is accepted by any B Shareholder in writing within 10 Business Days of receipt of an Offer Notice by it, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all Offer Shares held by such B Shareholder and the Company shall not register any transfer of Shares in connection with the Proposed Transfer unless such condition is satisfied.

22 Drag along

22.1 If the Seller wishes to transfer all (and not some only) of its A Shares to a bona fide purchaser or purchasers Acting in Concert on arm's length terms (**Proposed Buyer**), including but not limited to any transfer of A Shares as considered within Article 33.1, the Seller may require each B Shareholder (**Called Shareholder**) to sell and transfer all (and not some only) of its Shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).

22.2 The Seller may exercise the Drag Along Option by giving written notice to that effect to each Called Shareholder (**Drag Along Notice**) at any time before any transfer of its A Shares to the Proposed Buyer. The Drag Along Notice shall specify:

- 22.2.1 that the Called Shareholder is required to transfer all of its Called Shares pursuant to this Article 22;
 - 22.2.2 the identity of the Proposed Buyer to which the Called Shares are to be transferred;
 - 22.2.3 the Specified Price, as determined in accordance with Article 21.2 (including any deferred or contingent consideration); and
 - 22.2.4 the proposed transfer date (and, where there is deferred or contingent consideration, any applicable payment date(s) for such deferred or contingent consideration).
- 22.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Seller has not sold all of its A Shares to the Proposed Buyer within 30 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 22.4 No Drag Along Notice may require any Called Shareholder to agree to any terms except those specifically set out in this Article 22.
- 22.5 Completion of the sale of the Called Shares shall take place on the Drag Completion Date. For such purposes, the **Drag Completion Date** means the proposed date of transfer set out in the Drag Along Notice unless:
- 22.5.1 the Seller and the Called Shareholders agree otherwise, in which case the Drag Completion Date shall be the date agreed in writing by the Seller and each Called Shareholder; or
 - 22.5.2 that date is less than 30 Business Days after the date on which the Drag Along Notice is served, in which case the Drag Completion Date shall be the date falling 30 Business Days after the date of service of the Drag Along Notice.
- 22.6 On or before the Drag Completion Date, each Called Shareholder shall execute and deliver a stock transfer form for its Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Drag Completion Date, the Company shall pay to each Called Shareholder, on behalf of the Proposed Buyer, the Specified Price due pursuant to Article 22.2 due on the Drag Completion Date to the extent that the Proposed Buyer has put the Company in the requisite funds to do so. The Company's receipt of such funds to pay the Specified Price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder in trust for the Called Shareholder without any obligation to pay interest.
- 22.7 To the extent that any deferred or contingent consideration is payable as part of the Specified Price after the Drag Completion Date, it shall be paid on the applicable payment date(s) in accordance with Article 22.6 and the provisions of that Article shall apply *mutatis mutandis*.
- 22.8 To the extent that the Proposed Buyer has not, on the Drag Completion Date, put the Company in funds to pay the Specified Price due to the B Shareholders on the Drag Completion Date in respect of the Called Shares, each Called Shareholder shall be entitled to the return to it by the Company of its stock transfer form and share

certificate(s) (or suitable indemnity) for the relevant Called Shares, and the Called Shareholder shall have no further rights or obligations under this Article 22 in respect of its Called Shares in respect of that related Drag Along Notice (without prejudice to the ability of the Seller to serve further Drag Along Notices).

22.9 If any Called Shareholder does not, on or before the Drag Completion Date, execute and deliver (in accordance with Article 22.6) transfer(s) in respect of all of the Called Shares held by it, the Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the Specified Price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Called Shares under this Article 22.9.

22.10 Where there is a Holding Company Exit, the Company and the A Shareholder shall ensure that the provisions of Articles 22.1 to 22.9 (inclusive) shall (subject to Article 22.10) apply *mutatis mutandis* to any Shares held by the B Shareholders, such that the Seller may require that the B Shareholders shall be required to transfer their Shares to any Proposed Buyer of any Holding Company (which expression shall apply, *mutatis mutandis*).

23 Put Option

23.1 In the event that there is a Holding Company Exit, the B Shareholders shall have the right to require the A Shareholder to purchase the legal and beneficial interest in all Shares held by all B Shareholders (**Put Option Shares**) for the Specified Price (including any deferred or contingent consideration) which would have been payable to the B Shareholders had the Shares in question been subject to Article 22 (Drag along) in connection with that Holding Company Exit in accordance with Articles 22.1 to 22.10 (inclusive) (**Put Option Price**).

23.2 The Put Option shall be exercisable by the B Shareholder giving a written notice to the Company and the A Shareholder to that effect within 20 Business Days of completion of Holding Company Exit (**Put Option Exercise Notice**) requiring the completion of the transfer of the Put Option Shares on any Business Day specified in such notice between 20 and 25 Business Days following the date of such Put Option Exercise Notice (**Put Option Completion Date**).

23.3 Following receipt of the Put Option Exercise Notice, the A Shareholder shall thereupon be bound to buy and the B Shareholders shall be bound to sell the Put Option Shares for the Put Option Price on the Put Option Completion Date (together with any deferred or contingent consideration which is payable after the Put Option Completion Date).

23.4 Completion of the sale and purchase of the Put Option Shares shall take place at the registered office of the Company at 12 noon (UK time) on the Put Option Completion Date (or at such other time and place as is agreed by the A Shareholder and the B Shareholder).

23.5 On completion of the sale and purchase of the Put Option Shares, the B Shareholders shall deliver to the Company:

- 23.5.1 a duly executed transfer of the Put Option Shares in favour of the A Shareholder; and
 - 23.5.2 the share certificates in respect of the Put Option Shares (or a suitable indemnity if those certificates cannot be located).
- 23.6 Subject to the B Shareholders complying with their obligations under Article 23.5, the A Shareholder shall pay the Put Option Price which is payable to the B Shareholders on the Put Option Completion Date by telegraphic transfer to such account which are nominated by the B Shareholders' to the A Shareholder for receipt. The Company shall promptly thereafter procure registration of the transfers of the Put Option Shares (subject to the prior due stamping of such transfers at the expense of the A Shareholder). Any deferred or contingent consideration which forms part of the Put Option Price shall be paid in the same manner on the applicable subsequent payment date(s).
- 23.7 Each B Shareholder severally warrants to the A Shareholder that he or it is, immediately prior to completion of their sale pursuant to this Article 23, the registered holder of the Put Option Shares being sold by him or it and that, apart from this obligation to sell, such shares are free from all Encumbrances.
- 23.8 If a B Shareholder fails or refuses to execute and deliver any transfer and/or the share certificates (or a suitable indemnity) in respect of the Put Option Shares pursuant to the obligations under Article 23.5, the Company may (and if directed by the A Shareholder, will) irrevocably appoint any person with full power and authority to:
- 23.8.1 execute, complete and deliver the necessary transfer(s) and a suitable indemnity in the absence of the relevant share certificates on the defaulting shareholder's behalf to give effect to the transfer of the Put Option Shares to be transferred; and
 - 23.8.2 against receipt by the Company of the purchase money payable for the Put Option Shares (to be held on trust for the defaulting shareholder without interest) (such receipt being a good discharge to the transferee who will not be bound to see to the application thereof) deliver such transfer(s) to the relevant transferee.
- 23.9 After registration, the title of the A Shareholder as registered holder of the Put Option Shares will not be affected by any irregularity in or invalidity of, such proceedings, which shall not be questioned by any person.
- 24 Procedure for declaring dividends**
- 24.1 The Company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
 - 24.2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
 - 24.3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.

24.4 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.

24.5 If the directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

25 Calculation of dividends

25.1 Except as otherwise provided by these Articles and by the rights attached to shares, all dividends must be:

25.1.1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

25.1.2 apportioned and paid pro rata according to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

25.2 If any Share is issued on terms providing that it shall rank for dividend as from a particular date or be entitled to dividends declared after a particular date it shall rank for or be entitled to dividends accordingly.

25.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a share in advance of a call or otherwise paid up in advance of its due payment date.

Decision making by shareholders

26 Quorum for general meetings

26.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.

26.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

27 Chairing general meetings

The chairperson of the board of directors shall chair general meetings. If the chairperson is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint another of its nominated directors present at the meeting to act as chairperson at the meeting, and the appointment of the chairperson of the meeting must be the first business of the meeting.

28 Voting

At a general meeting, on a show of hands, subject to any rights or restrictions attached to any shares, each holder of any class of share present in person or by proxy or by representative shall be entitled to one vote and on a poll to one vote for each share held by him or it and on a vote on a written resolution, the holders of the shares shall have one vote for each share held by him or it.

29 Poll votes

- 29.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting.
- 29.2 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.

30 Proxies

- 30.1 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 general meeting (or adjourned meeting) to which they relate”.
- 30.2 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” as a new paragraph at the end of that article.

Administrative arrangements**31 Means of communication to be used**

- 31.1 Subject to Article 31.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 31.1.1 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
 - 31.1.2 if sent by pre-paid United Kingdom first class post or another next working day delivery service providing proof of postage to an address in the United Kingdom, at 9.00 am (UK time) on the second Business Day after posting or at the time recorded by the delivery service; or
 - 31.1.3 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am in the place of deemed receipt on the fifth Business Day after posting; or
 - 31.1.4 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
 - 31.1.5 if sent or supplied by email, at the time of transmission; or
 - 31.1.6 if deemed receipt under the previous paragraphs of this Article 31.1 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.

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

- 31.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- 31.2.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 31.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.

31.3 Any notice, document or other information served on, or delivered to, an intended recipient under Article 16 (Pre-emption procedure), Article 21 (Tag along), Article 22 (Drag along) or Article 23 (Put option) (as the case may be) may not be served or delivered in electronic form, or by means of a website.

31.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

32 Indemnity and insurance

32.1 Subject to Article 32.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

32.1.1 each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's activities as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006),

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 affairs; and

32.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 32.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

- 32.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law.
- 32.3 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.
- 32.4 In this Article:
- 32.4.1 a “relevant officer” means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- 32.4.2 a “relevant loss” means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer’s duties or powers in relation to the Company or any pension fund or employees’ share scheme of the Company.

33 Secured institutions

- 33.1 Notwithstanding anything contained in these Articles or in the Model Articles, the directors shall not decline to register, nor suspend registration of, any transfer of A Shares which:
- 33.1.1 is to any bank or institution to which those A Shares have been charged by way of security (whether as lender, or agent and trustee for a group of banks or institutions or otherwise), or to any nominee of such a bank or institution (a **Secured Institution**);
- 33.1.2 is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the A Shares; or
- 33.1.3 is executed by a Secured Institution or its nominee under the power of sale or other power under such security; or
- 33.1.4 is executed by a receiver or manager appointed by or on behalf of any Secured Institution or its nominee, under any such security.
- 33.2 Notwithstanding anything to the contrary contained in these Articles or in the Model Articles, neither a transferor or proposed transferor of any A Shares to a Secured Institution (or its nominee), nor a Secured Institution (or its nominee), nor any receiver or manager appointed by or on behalf of a Secured Institution or its nominee shall be required to provide any prior written notice to the Company or to offer the A Shares which are or are to be the subject of any such transfer to the Shareholders (or any of them), and no Shareholder shall have any right under the Articles or otherwise to require such A Shares to be transferred to them whether for consideration or not.
- 33.3 The Company shall have no lien on any A Shares which have been charged by way of security to a Secured Institution.