

Company number: 08220978

THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF
Adventure Parc Snowdonia Limited
(Company)

Circulation Date: 25 February 2019

WEDNESDAY



A18 *A81MLVQG* 20/03/2019 #54
COMPANIES HOUSE

In accordance with the provisions of Chapter 2 of Part 13 of the Companies Act 2006, the following written resolutions, are proposed as a special resolution and an ordinary resolution of the Company:

SPECIAL RESOLUTION

- 1 That the articles of association of the Company attached hereto be and are hereby adopted as the new articles (**New Articles**) of association of the Company in substitution for, and to the exclusion of, the existing articles of the Company.

Ordinary Resolution

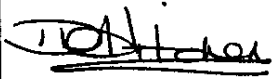
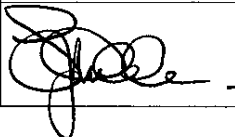
- 2 That the directors of the Company are authorised to issue up to £3,000,000 of Redeemable Preference shares to any one or more of (a) The M Ainscough 2005/1 Interest in Possession Settlement (b) The M Ainscough 2005/1 Discretionary Settlement or (c) any one or more beneficiaries of the two previously mentioned settlements.

Agreement

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

The undersigned hereby irrevocably agree to the above resolution:

Shareholder	Ordinary Shares	Signature	Date
Andrew Ainscough	5		25/2/2019
Martin Ainscough 2005/1 Discretionary Settlement (MA)	70 *		25/2/2019
Martin Ainscough 2005/1 Discretionary Settlement (JA)	70 *		25/2/2019

Danielle Louise Hitchen	13		25/2/2019
Stephen Hitchen	12		25/2/2019.

* held jointly as trustees of the M Ainscough 2005/1 Discretionary Settlement

NOTES

1. If you agree with the resolution, please sign and date this document and return it to the Company using one of the following methods:
 - **By Hand:** delivering the signed copy to the Company at 21 Oakland House, Hope Carr Road, Leigh, Lancashire, WN7 3ET
 - **Post:** returning the signed copy by post to the Company at 21 Oakland House, Hope Carr Road, Leigh, Lancashire, WN7 3ET

If you do not agree to the resolution, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the resolution, you may not revoke your agreement.
3. Where, by 28 days from the Circulation Date, insufficient agreement has been received for the resolution to pass, it will lapse. If you agree to the resolution, please indicate your agreement and notify us as soon as possible.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
5. If you are signing this document on behalf of a personal under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

**ARTICLES OF ASSOCIATION
OF ADVENTURE PARC SNOWDONIA LIMITED
(COMPANY NO. 08220978)**



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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CONWY ADVENTURE LEISURE LIMITED
COMPANY NO. 8220978

(Adopted by special resolution)

AGREED TERMS

1. INTERPRETATION

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

Act: the Companies Act 2006;

Andrew Ainscough: Andrew John Ainscough of 6 Llys Ywen, Llandudno Junction, LL31 9FF;

Appointor: has the meaning given in article 12.1;

Articles: the Company's articles of association for the time being in force;

Bad Leaver: an employee, Consultant or director of the Company who ceases to hold such office or employment and who does not fall within the definition of Good Leaver;

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

Conflict: has the meaning given in article 9.1;

Controlling Interest: an interest in shares giving to the holder or holders control of the Company within the meaning of section 840 of the Income and Corporation Taxes Act 1988;

Director: a director of the Company;

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);

Equity Shares: the Ordinary Shares, A Ordinary Shares and B Ordinary Shares of £1 each;

Family Member: the spouse, Civil Partner, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children);

Family Trust: in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder (**Settlor**) and/or the Settlor's Family Member;

Good Leaver: an employee, consultant or director of the Company who ceases to hold such office or employment at any time as a result of:

- I. Death, illness (including mental illness), disability or permanent incapacity through ill health;
- II. Wrongful dismissal; or
- III. Dismissal in circumstances where he has been dismissed from employment and such dismissal is found to have been unfair by any employment tribunal or any appellate body thereof;

Interested Director: has the meaning given in article 9.1;

Martin Ainscough: Martin Ainscough of Wrennalls Hall, Platt Lane, Standish, Wigan, WN1 2XH;

Model Articles: 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;

Shares: the Ordinary Shares, the A Ordinary Shares, the B Ordinary Shares and the Redeemable Preference Shares of £1 each in the capital of the Company;

Shareholder: the holders from time to time of the Shares;

Shareholders' Agreement: an agreement entered into on the date of adoption of these Articles and made between the Shareholders.

Transfer Notice: a notice made or required to be given in accordance with Article 15 or 17 dealing with the transfer of shares;

Trust: Martin Ainscough 2005/1 Discretionary Trust of Vanguard House, Bradley Lane, Standish, Wigan WN6 0XF;

Valuers: a firm of chartered accountants agreed between the Proposing Transferor and the Company or in default of agreement within 14 days, appointed at the application of either of them by the President of the Institute of Chartered Accountants in England and Wales; and

Writing or written: the representation or reproduction of words, symbols or other information in a visible 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 Act shall have the same 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 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

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 Articles 6(2), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.
- 2.3 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

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.

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. A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter in accordance with article 7.

5. NUMBER OF DIRECTORS

The number of directors shall not be less than one. No shareholding qualification for directors shall be required.

6. CALLING A DIRECTORS' MEETING

6.1 Any director may call a meeting of directors by giving not less than five Business Days' notice of the meeting to each director or by authorising the Company secretary (if any) to give such notice.

6.2 Notice of any directors' meeting must be accompanied by:

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

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

6.3 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.

7. QUORUM FOR DIRECTORS' MEETINGS

The quorum at any meeting of the directors (including adjourned meetings) shall be two directors at least one of whom shall be Martin Ainscough or his

alternate, whilst he is a director. No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for five Business Days at the same time and place.

8. CHAIRING OF DIRECTORS' MEETINGS

- 8.1 The chairman shall have a casting vote.

9. DIRECTORS' INTERESTS

- 9.1 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 (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 9.2 Any authorisation under this article will be effective only if:
- 9.2.1 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;
 - 9.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 9.2.3 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.
- 9.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- 9.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 9.3.2 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;
 - 9.3.3 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;

- 9.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 9.3.5 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
 - 9.3.6 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.
- 9.4 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.
- 9.5 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.
- 9.6 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 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.
- 9.7 Subject to sections 177(5) and 177(6) of the Act, 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 Act.
- 9.8 Subject to sections 182(5) and 182(6) of the Act, 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 Act, unless the interest has already been declared under article 9.7.
- 9.9 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 9.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of

the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- 9.9.1 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;
- 9.9.2 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;
- 9.9.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 9.9.4 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;
- 9.9.5 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
- 9.9.6 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 Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

10. 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.

11. APPOINTMENT AND REMOVAL OF DIRECTORS

11.1 The minimum number of directors shall be one director.

11.2 Any director may at any time be removed from office by the holders of a majority of the Shares.

11.3 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the holders of a majority of the Ordinary Shares and served on the Company at its registered office or delivered to a duly constituted meeting of the directors of the Company. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

11.4 No director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

12. ALTERNATE DIRECTORS

12.1 Any director (other than an alternate director) (in this article, **the Appointor**) may appoint any person (whether or not a director) except for an existing director representing another class of shares to be an alternate director to exercise that director's powers, and carry out that director's responsibilities, in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor. 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.

12.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

12.3 The notice must:

12.3.1 identify the proposed alternate; and

12.3.2 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.

12.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

- 12.5 Except as the Articles specify otherwise, alternate directors:
- 12.5.1 are deemed for all purposes to be directors;
 - 12.5.2 are liable for their own acts and omissions;
 - 12.5.3 are subject to the same restrictions as their Appointors; and
 - 12.5.4 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.
- 12.6 A person who is an alternate director but not a director:
- 12.6.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating); and
 - 12.6.2 may 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).
- 12.7 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).
- 12.8 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.
- 12.9 An alternate director's appointment as an alternate terminates:
- 12.9.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
 - 12.9.2 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
 - 12.9.3 when the alternate director's Appointor ceases to be a director for whatever reason.

SHARES

13. SHARE CAPITAL

- 13.1 The Company shall have four share classes being Ordinary Shares of £1 each, A Ordinary Shares of £1 each, B Ordinary Shares of £1 each and Redeemable Preference Shares of £1 each.
- 13.2 The rights attaching to the Redeemable Preference Shares are as follows:
- 13.2.1 The Redeemable Preference Shares shall be entitled to a cumulative annual dividend of 0.1% of the nominal value (calculated on a daily basis) which shall be paid out in priority to any other dividend paid by the Company. The Redeemable Preference Share dividend shall be paid on 30 April in every year unless otherwise agreed in writing.
 - 13.2.2 The Redeemable Preference Shares shall have no other right to income.
 - 13.2.3 The Redeemable Preference Shares shall have no right to vote.
 - 13.2.4 The Redeemable Preference Shares may be redeemed at any point by the Company.
 - 13.2.5 The holders of the Redeemable Preference Shares may at any point request that their shares be redeemed however the Company is not obliged to actually redeem these shares unless it is legally able to do so and that in its reasonable opinion the redemption would not be detrimental to the Company's business.
 - 13.2.6 In the event of a sale or winding up of the Company the Redeemable Preference shares are entitled to a sum equal to the aggregate of their nominal value together with any accrued but unpaid dividends in priority to any amounts paid to the holders of the Equity Shares.
- 13.3 Except as otherwise provided in these Articles, the Equity Shares shall rank *pari passu* in all respects, save:
- 13.3.1 the A Ordinary Shares and the B Ordinary Shares shall have no right to vote.
 - 13.3.2 the Board may recommend to different dividend payments in respect of the Ordinary Shares, the A Ordinary Shares and the B Ordinary Shares.

14. FURTHER ISSUES OF SHARES: AUTHORITY

14.1 Subject to the remaining provisions of this article 14, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

14.1.1 offer or allot;

14.1.2 grant rights to subscribe for or to convert any security into; or

14.1.3 otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

14.2 The authority referred to in article 14.1:

14.2.1 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

14.2.2 may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

15. SHARE TRANSFERS

15.1 In the case of a Member other than Andrew Ainscough or the Trust, the right to transfer Shares or any interest in Shares shall be subject to the following restrictions and provisions. Any shares registered in the name of Andrew Ainscough or the Trust shall be freely transferable. References in this Article 15 to Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such Shares.

15.2 Any Member (the **Proposing Transferor**) proposing to transfer any Shares (the **Sale Shares**), shall be required before effecting, or purporting to effect the transfer, to give a notice in writing to the Company (a **Transfer Notice**) that he desires to transfer the Sale Shares and specifying the price at which he is prepared to sell the Sale Shares in accordance with the following provisions of this Article 15 (the **Proposed Price**). The Transfer Notice shall constitute the Company his agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period (as defined in Article 15.6) to any Members on the basis set out in the following provisions of this Article 15 and shall not be revocable except with the consent of the Directors.

15.3 The Sale Shares shall be offered for purchase in accordance with this Article 15 at a price per Sale Share (the **Sale Price**) as agreed between the

Proposing Transferor and the Directors or, in default of such agreement within 21 days after the date of service of the Transfer Notice (the **Notice Date**), the lower of:

15.3.1 the Proposed Price; and

15.3.2 the price per Sale Share as determined by the Expert in accordance with Article 15.4 (the **Expert's Price**).

15.4 If the Sale Price shall not have been agreed between the Proposing Transferor and the Directors within the time limit prescribed in Article 15.3, then immediately following the expiry of such period the Directors shall refer the matter to the Expert and the Expert shall determine and certify the sum per share considered by them to be the market value thereof as at the Notice Date. In so determining and certifying the Expert shall take into account the proportion of the relevant class of shares which the Sale Shares represent. The Expert shall act hereunder at the cost and expense of the Company as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and (in the absence of fraud) they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith.

15.5 Subject to article 16, the Company shall offer the Sale Shares for purchase at the Sale Price by a written Offer Notice (the **Offer Notice**) given within 21 days after the Sale Price is agreed or determined under Article 15.3. Sale Shares shall be treated as offered:

a) in the first instance to the Trust; and

b) to the extent not accepted by the Trust to the remaining persons (other than the Proposing Transferor) who on the Notice Date, were the registered holders of Shares in the Company on terms that, in case of competition, the Sale Shares shall be sold to the acceptors in proportion (as nearly as may be without involving fractions or increasing the number sold to any member beyond that applied for by him) to their existing holdings of Shares (and the shareholding of the Proposing Transferor shall be ignored for the purpose of calculating this proportion).

15.5.1 Provided where the Sale Shares are owned by the Trust, the Sale Shares shall be offered in the first instance to Andrew Ainscough.

15.5.2 Any Shares which are not accepted pursuant to the offer contained in the Offer Notice will be offered by the Company by a further written notice (the **Further Notice**) given within 21 days of the date of the Offer Notice to other Members, such second offer to be in proportion to their holdings of Shares as increased by their acceptance of the offer contained in the Offer Notice (again, for the purpose of calculating the relevant proportion, ignoring the Proposing Transferor's

shareholding and also ignoring the shareholdings of any Members who did not accept the offer contained in the Offer Notice pursuant to this Article 15.5).

- 15.6 The period during which a relevant Member may accept the offer contained in the Offer Notice shall commence on the date of the Offer Notice and terminate 14 days thereafter. The period during which a relevant Member may accept the offer contained in the Further Notice shall commence on the date of Further Notice and terminate 14 days thereafter. The aggregate of the periods referred to in this Article 15.6 shall be referred to in total as the **Prescribed Period**.
- 15.7 Any shares not accepted by any of the members pursuant to the foregoing provisions of these Articles by the end of the last day of the Prescribed Period may be offered by the Proposing Transferor to such persons as he may think fit for purchase at the Sale Price for a period of three months commencing on the day after the day on which the Prescribed Period terminates.
- 15.8 After the expiry of the Prescribed Period the Directors shall allocate the Sale Shares in accordance with the acceptances received on the basis set out in Article 15.5. The Directors shall within 7 days of the expiry of the Prescribed Period give notice in writing (the **Sale Notice**) to the Proposing Transferor and to each accepting Member (each a **Purchaser**) specifying the name and address of each Purchaser, the number of Sale Shares agreed to be purchased by him and the aggregate price payable for them.
- 15.9 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than 3 days nor more than ten days after the date of the Sale Notice) when the Proposing Transferor, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, shall transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.
- 15.10 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the Directors may authorise some person to execute and deliver on his behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the holder(s) of such shares. The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he shall have delivered his share certificate(s) or a suitable indemnity and the necessary transfers to the Company.

16. PERMITTED TRANSFERS

16.1 Subject to Article 16.2 but notwithstanding the provisions of Article 15 (Pre-emption):

16.1.1 any Member may at any time transfer any Share to a Family Member or to the trustees of a Family Trust;

16.1.2 any Member who is a trustee of a Family Trust may at any time transfer any Share to:

- (a) the new or remaining trustees of the Family Trust upon any change of trustees; and
- (b) any persons on their becoming entitled to the same under the terms of the Family Trust.

16.2 If any person has acquired Shares as a Family Member of a Member by way of one or more Permitted Transfers and that person ceases to be a Family Member of that Member, that person shall forthwith transfer all the Shares then held by that person back to the Member, for such consideration as they agree, within 28 days of the cessation or, in default of such agreement, at the Experts Price (calculated in accordance with Article 15.3).

16.3 In default of compliance with Article 16.2, the Board may appoint some person to execute any necessary instruments of transfer on behalf of and as attorney for the defaulting Member. After the name of the relevant purchaser has been entered in the register of members in purported exercise of the powers contained in this Article 16.3 the validity of the proceedings shall not be called into question.

17. COMPULSORY TRANSFERS

17.1 A person entitled to a Share in consequence of the death or bankruptcy of a Member (other than Andrew Ainscough) shall be bound at any time, if and when required in writing by the Directors so to do, to give a Transfer Notice in respect of such Share.

17.2 In the case of a Member who is also an employee, consultant or director of the Company ceasing to hold such office at any time then, within 12 months after such cessation if instructed by a majority in number of Members other than the member ceasing to hold such office, the Directors shall serve notice on such Member requiring such Member to give a Transfer Notice (the **Compulsory Transfer Notice**) in respect of all of the Shares held by him and the provisions of Articles 15.2 to 15.10 shall apply to the transfer of those Shares.

17.3 If the Compulsory Transfer Notice is served by the Directors in accordance with Article 17.2 and the relevant Member is not a Bad Leaver then the price

per Share at which the Shares held by that Member will be offered for sale pursuant to these Articles will be Market value as determined by the Expert in accordance with Article 15.4 and the "Sale Price" will be construed accordingly in these Articles.

- 17.4 If the Compulsory Transfer Notice is served by the Directors in accordance with Article 17.2 and the relevant Member is a Bad Leaver then the price per Share at which the Shares held by that Member will be offered for sale pursuant to these Articles will be the lower of (i) par or (ii) Market value as determined by the Expert in accordance with Article 15.4 and the "Sale Price" will be construed accordingly in these Articles.

18. BRING ALONG RIGHT

- 18.1 Subject to Article 18.2, if the holders of not less than 75% of the Shares (the **Selling Members**) shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Shares held by the Selling Members, the Selling Members shall have the option (the **Bring Along Option**) to require all the other Members (the **Remaining Members**) to transfer all their Shares (the **Remaining Shares**) to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this Article 18 and, for the avoidance of doubt, the provisions of Article 15 shall not apply to such proposed sale or transfer.
- 18.2 The Bring Along Option may not be exercised before the expiry of the Initial Period
- 18.3 The Selling Members shall exercise the Bring Along Option by giving notice to that effect (a **Bring Along Notice**) to the Remaining Members at any time before the transfer of the Selling Members' Shares to the Third Party Purchaser. A Bring Along Notice shall specify that the Remaining Members are required to transfer all their Remaining Shares pursuant to this Article 18 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Members) and the proposed date of transfer. A Bring Along Notice shall be irrevocable unless the Third Party Purchaser refuses to acquire the Remaining Shares on the terms of this Article 18.
- 18.4 The Remaining Members shall be obliged to sell the Remaining Shares at the price specified in the Bring Along Notice and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Members' Shares, unless:
- 18.4.1 all the Remaining Members and the Selling Members agree otherwise;
or

18.4.2 the date is less than 14 days after the Bring Along Notice, in which case completion shall take place on the 14th day after the Bring Along Notice.

- 18.5 Each of the Remaining Members shall, on service of the Bring Along Notice, be deemed to have appointed each of the Selling Members severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the Third Party Purchaser pursuant to this Article 18.

19. TAG ALONG OPTION

- 19.1 No sale or transfer or other disposition of Shares comprising of 75% or more of the Shares (the **Specified Shares**) to a Third Party Purchaser shall have any effect unless before the transfer is lodged for registration the Third Party Purchaser acquiring the Specified Shares has made a bona fide offer (a **Tag Along Offer**) in accordance with these Articles to purchase from the other Members all the Shares held by Members who are not acting in concert or otherwise connected with the Third Party Purchaser (the **Tag Along Shares**).
- 19.2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the Third Party Purchaser in respect of each of the Specified Shares), shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along Shares and within 30 days of the date of the Tag Along Offer.
- 19.3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Member shall be obliged to sell the Tag Along Shares held by it to the Third Party Purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares.
- 19.4 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Member to the Third Party Purchaser pursuant to this Article 19.

DECISION MAKING BY SHAREHOLDERS

20. QUORUM FOR GENERAL MEETINGS

- 20.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two shareholders present in person or by proxy.
- 20.2 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.

21. CHAIRING GENERAL MEETING

- 21.1 The chairman of the board of directors shall chair general meetings and shall not have a casting vote. If the chairman 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 chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

22. POLL VOTES

- 22.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 22.2 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.

23. PROXIES

- 23.1 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".
- 23.2 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

24. MEANS OF COMMUNICATION TO BE USED

24.1 Any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

24.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

24.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address.

For the purposes of this article, no account shall be taken of any part of a day that is not a working day.

24.2 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was delivered to an address permitted for the purpose by the Act.

25. INDEMNITY AND INSURANCE

25.1 Subject to article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

25.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them, including any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and

25.1.2 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 25.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

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

25.3 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.

25.4 In this article:

25.4.1 a "relevant officer " means any 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

25.4.2 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 of the Company.