

# DAC BEACHCROFT

THE COMPANIES ACT

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BXB LAND SOLUTIONS LIMITED

Company No 08860751



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ARTICLES OF ASSOCIATION

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**Table of contents**

Clause heading and number

Page number

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1.	DEFINITIONS AND INTERPRETATION.....	1
2.	ADOPTION OF THE MODEL ARTICLES .....	3
3.	DIRECTORS' MEETINGS .....	4
4.	UNANIMOUS DECISIONS OF DIRECTORS.....	4
5.	NUMBER OF DIRECTORS .....	5
6.	CALLING A DIRECTORS' MEETING.....	5
7.	QUORUM FOR DIRECTORS' MEETINGS .....	5
8.	CHAIRING OF DIRECTORS' MEETINGS .....	5
9.	DIRECTORS' INTERESTS.....	5
10.	RECORDS OF DECISIONS TO BE KEPT.....	8
11.	APPOINTMENT AND REMOVAL OF DIRECTORS .....	8
12.	ALTERNATE DIRECTORS .....	9
13.	SHARE CAPITAL.....	10
14.	SHARE TRANSFERS: GENERAL .....	11
15.	PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES .....	12
16.	COMPULSORY TRANSFERS .....	13
17.	VALUATION.....	14
18.	QUORUM FOR GENERAL MEETINGS.....	15
19.	CHAIRING GENERAL MEETINGS .....	15
20.	VOTING .....	15
21.	POLL VOTES.....	15
22.	PROXIES .....	16
23.	MEANS OF COMMUNICATION TO BE USED .....	16
24.	INDEMNITY AND INSURANCE .....	17

**COMPANY NO. 08860751**  
**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**BXB LAND SOLUTIONS LIMITED**  
**(Adopted by special resolution passed on 8 July 2020)**

**INTRODUCTION**

**1. DEFINITIONS AND INTERPRETATION**

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

<b>"Appointer"</b>	has the meaning given in Article 12.1;
<b>"Articles"</b>	the Company's articles of association for the time being in force;
<b>"A Share"</b>	an ordinary share of £1.00 in the capital of the Company designated as an A Share;
<b>"A Shareholder"</b>	a registered holder of any A Shares;
<b>"B Share"</b>	an ordinary share of £1.00 in the capital of the Company designated as a B Share;
<b>"B Shareholder"</b>	a registered holder of any B Shares;
<b>"Business Day"</b>	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
<b>"CA 2006"</b>	the Companies Act 2006;
<b>"Company"</b>	shall mean BXB Land Solutions Limited registered in England and Wales with company registration number 08860751;
<b>"Conflict"</b>	has the meaning given in Article 9.1;
<b>"Continuing Shareholder"</b>	has the meaning given in Article 15.1;

<b>“Deemed Transfer Notice”</b>	a Transfer Notice that is deemed to have been served under any provisions of these Articles;
<b>“Directors”</b>	the Company's incumbent directors;
<b>“Eligible Director”</b>	any Director who would be entitled to vote on the matter at a meeting of Directors (as the case may be);
<b>“Fair Value”</b>	in relation to Shares, as determined in accordance with Article 17;
<b>“Model Articles”</b>	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 and reference to a numbered Model Article is a reference to that article of the Model Articles;
<b>“Price Notice”</b>	has the meaning given in Article 15.2.2;
<b>“Proposed Sale Price”</b>	has the meaning given in Article 15.1.2;
<b>“Purchase Notice”</b>	has the meaning given in Article 15.2.1;
<b>“Sale Shares”</b>	has the meaning given in Article 15.1;
<b>“Seller”</b>	has the meaning given in Article 15.1;
<b>“Share”</b>	a share in the capital of the Company;
<b>“Shareholder”</b>	a registered holder of any Shares;
<b>“Subsidiary”</b>	has the meaning given in Article 1.5;
<b>“Transfer Notice”</b>	a notice in writing given by any Shareholder to the other Shareholder where the first Shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any Shares;
<b>“Valuers”</b>	an independent firm of accountants jointly appointed by the Shareholders or, in the absence of agreement between the Shareholders on the identity of the expert within five Business Days of a Shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of

Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator); 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.

- 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.
- 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 **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the CA 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), 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.
- 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.
- 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 In these Articles, the expression **Directors’ meeting** or **meeting of the Directors** or **Shareholders’ meeting** or **meeting of the Shareholders** includes, except where inconsistent with any legal obligation:
  - 1.9.1 a physical meeting;
  - 1.9.2 a meeting held by electronic means; and
  - 1.9.3 a meeting held by telephone where each of the participants can hear each other throughout.

## 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(2), 26(5), 27 to 30 (inclusive), 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 and the secretary)" 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".
- 2.5 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## **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. The Directors will try to meet at least monthly.
- 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 no such resolution shall be passed unless:
  - 3.3.1 more votes are cast for it than against it; and
  - 3.3.2 at least two Directors are participating in the meeting of the Directors or of the committee of the Directors.
- 3.4 Each Director has one vote at a meeting of Directors.
- 3.5 If at any time before or at any meeting of the Directors or of any committee of the Directors, a Director participating 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.

### **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.
- 4.3 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.

**5. NUMBER OF DIRECTORS**

The number of Directors shall not be less than two.

**6. CALLING A DIRECTORS' MEETING**

6.1 Any Director may call a meeting of Directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by all of the Directors) 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**

7.1 The quorum at any meeting of the Directors (including adjourned meetings) shall be two Eligible Directors (or their respective alternates).

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

7.3 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 two Business Days at the same time and place

**8. CHAIRING OF DIRECTORS' MEETINGS**

8.1 The Directors may appoint a Director to chair their meetings.

8.2 The Director so appointed for the time being is known as the chairperson.

8.3 The Directors may terminate the chairperson's appointment at any time.

8.4 If the chairperson for the time being is unable to attend any meeting of the board of Directors, the Shareholder who appointed him or her shall be entitled to appoint another of its nominated Directors to act as chair at the meeting.

8.5 The chair of the board of Directors shall not have a casting vote.

**9. DIRECTORS' INTERESTS**

9.1 Without prejudice to Articles 9.6 and 9.7, the Directors shall for the purposes of section 175 of the CA 2006, have the power to authorise, any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company ("**Conflict**").

9.2 Any authorisation of a matter under Article 9.1 shall be subject to such conditions or limitations as the Directors may determine (including, without limitation, such conditions or limitations as are contemplated by Article 9.16), whether at the time such authorisation is given or subsequently and may be terminated by the Directors at any time. A Director shall comply with any obligations imposed on him by the Directors pursuant to any such authorisation.

- 9.3 Any authorisation of a matter under Article 9.1 extends, subject to any conditions or limitations imposed under Article 9.2, to any actual or potential Conflict which may reasonably be expected to arise out of the matter so authorised.
- 9.4 Subject to any conditions or limitations imposed under Article 9.2, a Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected in any way with him) derives from any matter authorised by the Directors under Article 9.1 and no contract, transaction, arrangement or proposal relating thereto shall be liable to be avoided on the grounds of any such benefit.
- 9.5 Article 9.1 does not apply to a Conflict arising in relation to a transaction or arrangement with the Company.
- 9.6 Subject to compliance with Article 9.7, a Director may, notwithstanding his office, have any interest of any of the following kinds (and no authorisation under Article 9.1 shall be necessary in respect of any such interest:
- 9.6.1 where the Director (or any person connected in any way with him) is a Director or other officer of, is employed by or is otherwise interested (including, without limitation, by the holding of shares or other securities) in any body corporate with which the Company is associated (within the meaning of section 256(a) of the CA 2006);
  - 9.6.2 where the Director (or any person connected in any way with him) is a party to, or otherwise interested in, any contract, transaction, arrangement or proposal with the Company or any body corporate with which the Company is associated (within the meaning of section 256(a) of the CA 2006), or in which the Company is otherwise interested;
  - 9.6.3 where the Director is the holder of Shares or other securities in the Company and is due to be the recipient of any dividends, the payment of which is subject to such authorisation of the Directors;
  - 9.6.4 an interest such that the situation or the interest cannot reasonably be regarded as likely to give rise to a Conflict;
  - 9.6.5 an interest, or a contract, transaction, arrangement, or proposal giving rise to an interest, of which the Director is not aware; and
  - 9.6.6 any other interest authorised by an ordinary resolution of the Company.
- 9.7 Subject to sections 177 and 182 of the CA 2006, the Director concerned shall declare the nature and extent of any interest, whether direct or indirect, referred to in Article 9.6 and not falling within Article 9.8 either at a meeting of the Directors by written declaration to the Company (or in any other manner as the Directors may determine) or by general notice in accordance with section 177(2)(b)(ii) or section 182(2)(c) (as the case may be) and section 185 of the CA 2006.
- 9.8 No declaration of an interest shall be required by a Director under Article 9.7 in relation to an interest:
- 9.8.1 falling within Article 9.6.2, Article 9.6.3 or Article 9.6.4;
  - 9.8.2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as being aware of anything of which they ought reasonably to be aware); or
  - 9.8.3 if, or to the extent that, it concern the terms of his service contract (as defined in section 227 of the CA 2006) that have been or are to be considered by a



meeting of the Directors or by a committee of Directors appointed for the purpose under these Articles.

- 9.9 A Director shall not, save as otherwise agreed by him, be accountable to the Company for any benefit which he (or any person connected in any way with him) derives from any interest referred to in Article 9.6 and no contract, transaction, arrangement or proposal shall be liable to be avoided on the grounds of any such interest.
- 9.10 Provided he has disclosed to the Directors an interest of which he is aware (not being an interest which cannot reasonably be regarded as likely to give rise to a Conflict) in accordance with the requirements of the CA 2006 and these Articles, a Director shall, subject to any applicable conditions or limitations imposed under Article 9.2, be entitled to vote at a meeting of the Directors or of a committee of the Directors in respect of any contract, transaction, arrangement, or proposal in which he is interested and shall also be counted in determining whether a quorum is present at such a meeting.
- 9.11 Without prejudice to Article 9.10, if a question arises at any time as to whether any interest of a Director prevents him or should prevent him from voting or being counted in the quorum under this Article 9 and such question is not resolved by his voluntarily agreeing to abstain from voting and/or attending, such question shall be referred to the chairperson of the meeting and his ruling in relation to any Director other than himself shall be final and conclusive, except in case where the nature or extent of the interest of such Director (so far as it is known to him) has not been fairly disclosed.
- 9.12 Without prejudice to Article 9.10, if any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairperson, the question shall be decided by a decision of the Directors, for which purpose the chairperson may be counted as participating in the meeting (or part of the meeting) for voting and quorum purposes, and the decision shall be conclusive, except in a case where the nature or extent of the interest of the chairperson of the meeting (so far as it is known to him) has not been fairly disclosed to the other Directors.
- 9.13 Subject to Article 9.14, if a Director, otherwise than by virtue of his position as a Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required to disclose such information to the Company or the Directors or any of them, or otherwise use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.
- 9.14 Where a duty of confidentiality as referred to in Article 9.13 arises out of a situation in which the Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 9.13 shall apply only if the conflict arises out of a matter which has been authorised under Article 9.1 or falls within Article 9.6.
- 9.15 Article 9.13 is without prejudice to any enactment, equitable principle, or rule of law which may excuse or release a Director from disclosing information in circumstances where disclosure may otherwise be required.
- 9.16 Where a Director has an interest which can reasonably be regarded as likely to give rise to a Conflict, the Director may, and shall if so requested by the Directors, take such additional steps as may be necessary or desirable for the purpose of managing such Conflict, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing Conflicts generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the relevant matter or situation, including without limitation:

- 9.16.1 absenting himself from any meeting or part of a meeting of the Directors or of any committee of the Directors at which the relevant matter or situation falls to be considered or is otherwise significant; and
  - 9.16.2 not reviewing documents or information made available to the Directors generally in relation to such matter or situation.
- 9.17 The Company may by ordinary resolution ratify any contract, transaction, arrangement, or proposal not properly authorised by reason of a contravention of any provision of this Article 9.
- 9.18 For the purposes of this Article 9, where the context permits, any reference to an interest includes a duty and any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties.
- 9.19 For the purposes of this Article, references to proposed decisions and decision-making processes include any Directors' meeting or part of a Directors' meeting.

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

**11. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 11.1 Any person who is willing to act as a Director, and is permitted by law to do so, may be appointed to be a Director:
  - 11.1.1 by ordinary resolution; or
  - 11.1.2 by a decision of the Directors.
- 11.2 No person shall be appointed a Director at any general meeting unless either:
  - 11.2.1 he is recommended by the Directors; or
  - 11.2.2 not less than 20 nor more 35 clear days before the date appointed for the general meeting, notice signed by a Shareholder qualified to vote at the general meeting has been given to the Company of the intention to propose such person for appointment, together with notice signed by such person of his willingness to be appointed.
- 11.3 Subject to the provisions of the CA 2006, a Shareholder(s) having the right to attend and vote at any general meeting of the Company and holding at least 75% in nominal value of the Shares giving that right may, from time to time by notice in writing to the Company, remove any Director from office or appoint any person to be a Director, and any such removal or appointment shall be deemed to be an act of the Company and not only of such Shareholder(s). Any such notice may consist of one or more documents each executed by or on behalf of such Shareholder(s) and shall take effect at and from the time when such notice is received at the registered office of the Company or produced to a meeting of the Directors of the Company.
- 11.4 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittes of the last Shareholders to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person who is willing to act (and is permitted to do so) to be a Director.

- 11.5 For the purposes of Article 11.4, where two or more Shareholders die in circumstances rendering it uncertain who was the last to die, a younger Shareholder is deemed to have survived an older Shareholder.

## 12. ALTERNATE DIRECTORS

- 12.1 Any Director (other than an alternate director) (the "**Appointer**") may appoint any person (whether or not a Director) to be an alternate director to exercise the Appointer's powers, and carry out the Appointer's responsibilities, in relation to the taking of decisions by the Directors, in the absence of the Appointer. In these Articles, where the context so permits, the term "Director" shall include an alternate director appointed by a Director (as the case may be). A person may be appointed an alternate director by more than one Director provided that each of his Appointers 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 (and to the alternate, on removal) signed by the Appointer, 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 Appointer.
- 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 Appointers; and
  - 12.5.4 are not deemed to be agents of or for their Appointers,

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 Appointer is a member.

- 12.6 A person who is an alternate director but not a Director may, subject to him being an Eligible Director:
- 12.6.1 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 Appointer is an Eligible Director and is not participating); and
  - 12.6.2 participate in a unanimous decision of the Directors (but only if his Appointer 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 Appointer(s), to a separate vote on behalf of each Appointer (provided that an Appointer is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the Directors.

- 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 Appointer as the Appointer may by notice in writing to the Company from time to time direct.
- 12.9 An alternate director's appointment as an alternate (in respect of a particular Appointer) terminates:
- 12.9.1 when the alternate's Appointer revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
  - 12.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointer, would result in the termination of the Appointer's appointment as a Director; or
  - 12.9.3 when the alternate director's Appointer ceases to be a Director for whatever reason.

## **SHARES**

### **13. SHARE CAPITAL**

- 13.1 The Share capital of the Company at the date of adoption of these Articles consists of 66 A Shares of £1.00 each and 33 B Shares of £1.00 each.
- 13.2 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.
- 13.3 The Shares shall have the following voting rights:
- 13.3.1 A Shares: one vote per A Share; and
  - 13.3.2 B Shares: one vote per B Share.
- 13.4 The rights as regards to income attaching to the Shares shall be as set out in this Article 13.4:
- 13.4.1 A Shares: the Company shall, without resolution of the Shareholders, pay all the holders of the A Shares a dividend equal to such sum per Share as shall be agreed by the Directors to the person registered as its holder(s) on the relevant date determined by the Directors. Each such dividend shall be distributed to the holder(s) of the A Shares *pro rata* according to the number of Shares held by them respectively. All such dividends are expressed net and may be paid on an interim or a final basis; and
  - 13.4.2 B Shares: the Company shall, only upon the recommendation of the board of Directors of the Company and the approval of the Shareholders by ordinary resolution, pay all the holders of the B Shares a dividend equal to such sum per Share as shall be agreed by the Directors to the person registered as its holder(s) on the relevant date determined by the Directors. Each such dividend shall be distributed to the holder(s) of the B Shares *pro rata* according to the number of Shares held by them respectively. All such dividends are expressed net and may only be paid on a final basis.
  - 13.4.3 The rights of each of the respective classes of Shares to dividend or other distribution of profit by the Company, other than a distribution on a winding up, shall be independent, and the recommendation by the directors of a dividend in respect of one class of Share shall not create a right to any

dividend in respect of another class of Shares nor imply that the directors will or should declare such a dividend.

- 13.5 On a liquidation, winding-up or dissolution, the holders of the Shares shall be entitled to receive the following amounts:
- 13.5.1 A Shares: amount credited as paid up on each Share and any surplus remaining available for distribution to Shareholders; and
- 13.5.2 B Shares: amount credited as paid up on each Share and any surplus remaining available for distribution to Shareholders.
- 13.6 No Share of any class nor any right to subscribe for or to convert any security into a Share of any class shall be allotted or granted otherwise than to the holder of a Share of that same class.
- 13.7 On the transfer of any Share as permitted by these Articles:
- 13.7.1 a Share transferred to a non-shareholder shall remain of the same class as before the transfer;
- 13.7.2 a Share transferred to a Shareholder shall automatically be redesignated on transfer as a Share of the same class as those Shares already held by the Shareholder; and
- 13.7.3 if no Shares of a class remain in issue following a redesignation under this Article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, Shareholders of that class or Directors appointed by that class.
- 13.8 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.
- 13.9 Each of the following shall be deemed to constitute a variation of the rights attached to each class of Shares:
- 13.9.1 any alteration in the Articles;
- 13.9.2 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; and
- 13.9.3 any resolution to put the Company into liquidation.
- 13.10 The Company shall immediately cancel any Shares acquired under Chapter 4 of Part 18 of the CA 2006.

#### **14. SHARE TRANSFERS: GENERAL**

- 14.1 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.

14.2 No Shareholder shall transfer any Share except:

14.2.1 with the prior written consent of all Shareholders for the time being; or

14.2.2 a Shareholder may transfer all (but not some only) of its Shares in the Company to any person for cash and not on deferred terms in accordance with the procedure set out in Article 15; or

14.2.3 in accordance with Article 16.

14.3 Subject to Article 14.4, the Directors must register any duly stamped transfer 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.

14.4 The Directors may, as a condition to the registration of any transfer of Shares in the Company 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. If any such condition is imposed in accordance with this Article 14.4, 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.

14.5 To enable the Directors to determine whether or not there has been a transfer of Shares in the Company 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.

14.6 Any transfer of Shares by way of a sale that is required to be made under Article 15 or Article 16 shall be deemed to include a warranty that the transferor sells the Shares with full title guarantee.

15. **PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

15.1 Except where the provisions of Article 16 apply, a Shareholder (**Seller**) wishing to transfer its Shares (**Sale Shares**) must give a Transfer Notice to the other Shareholder (**Continuing Shareholder**) giving details of the proposed transfer including:

15.1.1 if it wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and

15.1.2 the price (in cash) at which it wishes to sell the Sale Shares (**Proposed Sale Price**).

15.2 Within twenty Business Days of receipt (or deemed receipt) of a Transfer Notice, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Seller stating either:

- 15.2.1 that it wishes to purchase the Sale Shares at the Proposed Sale Price (**Purchase Notice**), in which case the Continuing Shareholder is bound to buy all of the Seller's Sale Shares at the Proposed Sale Price; or
- 15.2.2 that the Proposed Sale Price is too high (**Price Notice**).
- 15.3 If, at the expiry of the period specified in Article 15.2, the Continuing Shareholder has given neither a Purchase Notice nor a Price Notice, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice (if any) at a price not less than the Proposed Sale Price provided that it does so within two months of the expiry of the period specified in Article 15.2.
- 15.4 Following service of a Price Notice under Article 15.2.2, the Seller and the Continuing Shareholder shall endeavour to agree a price for each of the Sale Shares. If they have not agreed such a price within ten Business Days of the Seller's receipt of a Price Notice, either the Seller or the Continuing Shareholder shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with Article 17. If the Seller and Continuing Shareholder agree a price within the period specified in this Article 15.4, the Continuing Shareholder is bound to buy all of the Seller's Sale Shares at the price agreed.
- 15.5 Within 20 Business Days of receipt of the Valuers' determination of the Fair Value, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Seller stating that the Continuing Shareholder wishes to purchase the Sale Shares at their Fair Value as determined by the Valuers. If, at the expiry of the period specified in this Article 15.5, the Continuing Shareholder has not notified the Seller that it wants to buy the Sale Shares, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice (if any) at a price not less than the Fair Value for all of the Sale Shares as determined by the Valuers provided that it does so within two months of the expiry of the period specified in this Article 15.5.

## 16. **COMPULSORY TRANSFERS**

- 16.1 A Shareholder is deemed to have served a Transfer Notice under Article 15.1 immediately before any of the following events:
  - 16.1.1 an order being made for the Shareholder's bankruptcy;
  - 16.1.2 any encumbrance taking possession of, or a receiver being appointed over or in relation to, all or any material part of the Shareholder's assets;
  - 16.1.3 the Shareholder having a disqualification order made against him or her under the Company Directors Disqualification Act 1986;
  - 16.1.4 his death; or
  - 16.1.5 the Shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding.
- 16.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
  - 16.2.1 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those Shares, determined by the Valuers in accordance with Article 17, save that if the Seller is deemed to have given a Transfer Notice as a result of Article 16.1.1 to 16.1.3 inclusive, the price for the Sale Shares shall be restricted to the nominal value of the Sale Shares;

- 16.2.2 the Seller does not have the right to withdraw the Deemed Transfer Notice following a valuation;
  - 16.2.3 if the Continuing Shareholder does not accept the offer of Shares comprised in the Deemed Transfer Notice within twenty Business Days of receipt of the Valuers' determination of the Fair Value, the Seller does not have the right to sell the Sale Shares to a third party and the Company shall be wound up immediately upon the Continuing Shareholder giving notice in writing to the Company to that effect within such twenty Business Day period.
- 16.3 A Deemed Transfer Notice under Article 16.1.1 shall immediately and automatically revoke:
  - 16.3.1 a Transfer Notice served by the relevant Shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under Article 16.1.1; and
  - 16.3.2 a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in Article 16.1.2 to Article 16.1.5 (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under Article 16.1.1.
- 16.4 If the Seller fails to complete a transfer of Sale Shares as required under this Article 16, the Continuing Shareholder is irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholder may reasonably require to complete the sale, and the Company may receive the purchase price in trust for the Seller (without any obligation to pay interest), giving a receipt that shall discharge the Continuing Shareholder.

## 17. VALUATION

- 17.1 As soon as practicable after deemed service of a Transfer Notice under Article 16, the Shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares.
- 17.2 The Valuers shall be requested to determine the Fair Value within fifteen Business Days of their appointment and to notify the Shareholders in writing of their determination.
- 17.3 The Fair Value for any Sale Share shall be the price per Share determined by the Valuers on the following bases and assumptions:
  - 17.3.1 valuing each of the Sale Shares as a proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
  - 17.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - 17.3.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - 17.3.4 the Sale Shares are sold free of all encumbrances;
  - 17.3.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
  - 17.3.6 to take account of any other factors that the Valuers reasonably believe should be taken into account.



- 17.4 The Shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 17.5 To the extent not provided for by this Article 17, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 17.6 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the Shareholders in the absence of manifest error or fraud.
- 17.7 Each Shareholder shall bear its own costs in relation to the reference to the Valuers.

#### **DECISION MAKING BY SHAREHOLDERS**

##### **18. QUORUM FOR GENERAL MEETINGS**

- 18.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, of whom one shall be a holder of A Shares or a duly authorised representative of such holder and one shall be a holder of B Shares or a duly authorised representative of such holder.
- 18.2 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.

##### **19. 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 or her shall be entitled to appoint another of its nominated Directors present at the meeting to act as chair at the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

##### **20. VOTING**

- 20.1 At a general meeting, on a show of hands every Shareholder who is present or by proxy shall have one vote, unless the proxy is himself a Shareholder entitled to vote; on a poll every Shareholder present in person or by proxy shall have one vote for each Share of which he is the holder; and on a vote on a written resolution every Shareholder has one vote for each Share of which he is the holder except that:
- 20.1.1 no Shares of one class shall confer any right to vote upon a resolution for the removal from office of a Director appointed by holders of Shares of the other class under a right to appoint which is a class right; and
- 20.1.2 subject to Article 20.1.1 of this exception, in the case of any resolution proposed, any holder of A Shares or of B Shares voting against such resolution (whether on a show of hands, a poll or on a written resolution) shall be entitled to cast such number of votes as is necessary to defeat the resolution.

##### **21. POLL VOTES**

- 21.1 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.

- 21.2 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.

22. **PROXIES**

- 22.1 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".
- 22.2 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**

23. **MEANS OF COMMUNICATION TO BE USED**

- 23.1 Subject to Article 23.2, any notice, document or other information shall be deemed received by the intended recipient:
- 23.1.1 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;
  - 23.1.2 if sent by pre-paid first class post or other next working day delivery service, providing proof of postage, at 9.00 am on the second Business Day after posting;
  - 23.1.3 if sent by pre-paid airmail providing proof of postage, at 9.00 am on the fifth Business Day after posting;
  - 23.1.4 if sent by fax or email, at the time of transmission; or
  - 23.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 23.2 If deemed receipt under article 23.1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this Article, **Usual Business Hours** means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information (which, in the case of service by fax or email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).
- 23.3 To prove service, it is sufficient to prove that:
- 23.3.1 if delivered by hand, the notice was delivered to the correct address;
  - 23.3.2 If sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted;
  - 23.3.3 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or

23.3.4 if sent by email, the notice was properly addressed and sent to the email address of the recipient.

23.4 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.

## 24. INDEMNITY AND INSURANCE

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

24.1.1 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

24.1.2 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 24.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

24.2 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.

24.3 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.

24.4 In this Article:

24.4.1 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

24.4.2 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.