

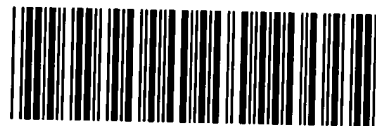
**DATED**

**31 March 2021**

**ARTICLES OF ASSOCIATION  
OF  
BERRY RECRUITMENT GROUP LIMITED**

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COMPANIES HOUSE

**COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
Of**

**BERRY RECRUITMENT GROUP LIMITED ("Company" or "company")**

**Part 1 - Interpretation And Limitation Of Liability**

**1. DEFINED TERMS**

- 1.1 In these Articles, unless the context requires otherwise the following definitions will apply:

**Act**

means the Companies Act 2006;

**acting in concert**

has the meaning set out in the City Code on Takeovers and Mergers in force for the time being;

**A Ordinary Share**

an A ordinary share of £0.10 in the capital of the Company having the rights and being subject to the restrictions set out in the Articles;

**appointor**

has the meaning given in article 21.1;

**Asset Sale**

the disposal by sale, licence or otherwise by any one or more Group Companies of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) of all or substantially all of its assets including the transfer or grant of an exclusive licence to all or substantially all of the Group's intellectual properties at such time;

**Auditors**

the auditors of the Company from time to time;

**Bad Leaver**

a Member who is also a Manager who ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in article 30.1.4 as a result of:

- (a) the voluntary resignation of that Member (other than for a reason set out in the definition of Good Leaver); or
- (b) any other circumstances in which he is not a Good Leaver;

**Bankruptcy**

includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

**Board**

the board of directors, as constituted from time to time;

**B Ordinary Share**

a B ordinary share of £0.10 in the capital of the Company having the rights and being subject to the restrictions set out in the Articles;

**business day**

means 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;

**chairman**

has the meaning given in article 12;

**chairman of the meeting**

has the meaning given in article 46;

**Compulsory Transfer Shares**

in relation to the Relevant Member all Relevant Shares;

**Conflict**

has the meaning given in article 15;

**Conflict Authorisation**

has the meaning given in article 15.2;

**C Ordinary Share**

a C ordinary share of £0.10 in the capital of the Company having the rights and being subject to the restrictions set out in the Articles;

**Deed of Covenant**

the deed dated on or around the date of adoption of these Articles and made between amongst others the Company and the Members on that date;

**director**

means a director of the company, and includes any person occupying the position of director, by whatever name called;

**distribution recipient**

has the meaning given in article 38.2;

**document**

includes, unless otherwise specified, any document sent or supplied in electronic form;

**D Ordinary Threshold**

means £10,000,000;

**D Ordinary Minimum Proceeds**

£1,000,000;

**D Ordinary Share**

a D ordinary share of £0.10 in the capital of the Company having the rights and being subject to the restrictions set out in the Articles;

**electronic form**

has the meaning given in section 1168 of the Act;

**eligible director**

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

**Encumbrance**

any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other encumbrance or security interest having a similar effect howsoever arising;

**Expert**

the expert identified and engaged in accordance with article 60;

**Family Investment Company**

a private limited or unlimited company incorporated in England and Wales which is owned and controlled by only Members, Family Members and/or the Trustees of a Family Trust;

**Family Member**

in relation to any Member, the spouse or civil partner of that Member and their children and grandchildren (including step and adopted children) from time to time;

**Family Trust**

a trust under which the only persons being (or capable of being) beneficiaries are:

- (a) the settlor; and/or
- (b) the Family Members of that settlor; and
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except other charities),

and under which no power of control over the voting powers conferred by any Share is exercisable at any time by, or subject to the consent of, any person other than the trustees, the settlor or the Family Members of that settlor. For the purposes of this definition:

- (i) **settlor** shall include a testator or an intestate in relation to a Family Trust arising under a testamentary disposition or an intestacy of a deceased Member (as the case may be); and
- (ii) **Family Member** shall include the widow or widower of the settlor or the civil partner of such settlor immediately prior to his death;

**First Threshold**

£17,500,000;

**First Threshold Percentage**

15 per cent. of the amount of proceeds between the First Threshold and the Second Threshold;

**fully paid**

in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;

**hard copy form**

has the meaning given in section 1168 of the Act;

**Good Leaver**

a Member who is also a Manager who ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in article 30.1.4 as a result of:

- (a) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) where the Board considers such ill health is preventing, or is likely to prevent, the Member from performing his normal duties;
- (b) the sale or disposal of the Group Company (or the business of the Group Company) by which he is engaged or employed;
- (c) the Member being made redundant by a Group Company;
- (d) retirement in accordance with the Member's service contract;
- (e) the termination of that employee or director or consultant's employment by a Group Company in circumstances that are determined by an Employment Tribunal or court or by settlement to be wrongful dismissal;
- (f) any other reason for which the Board determines that the Member should be a Good Leaver; and
- (g) the death of that Member;

**Group**

the Company and its subsidiary undertakings from time to time and references to a **Group Company** shall be construed accordingly;

**Hurdle**

is a Realisation Value of less than £30,000,000;

**holder**

in relation to shares means the person whose name is entered in the register of members as the holder of the shares;

**instrument**

means a document in hard copy form;

**Listing**

either:

- (a) the admission of all or any part of the Shares to listing on the Official List of the United Kingdom Listing Authority and to trading on the London Stock Exchange's market for listed securities;

- (b) the admission of all or any part of the Shares to trading on AIM, a market operated by London Stock Exchange; or
- (c) the admission of all or any part of the Shares to listing and/or trading on any other Recognised Investment Exchange,

and, in any such case, such admission becoming unconditionally effective;

**Listing Shares**

the equity share capital (as defined in section 548 of the Act) of the Company (excluding any such equity share capital to be subscribed and issued on the relevant Listing other than new shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of shares);

**London Stock Exchange**

the London Stock Exchange plc;

**Managers**

those Members who are described as Managers in the Deed of Covenant other than Graeme Lewis and Brad Dowden;

**Market Value**

the price per Share determined in accordance with article 29;

**ordinary resolution**

has the meaning given in section 282 of the Act;

**paid**

means paid or credited as paid;

**participate**

in relation to a directors' meeting, has the meaning given in article 10;

**proxy notice**

has the meaning given in article 52;

**Realisation**

a Share Sale, an Asset Sale or a Listing;

**Realisation Date**

means:

- (a) in respect of a Listing, the date on which dealings in the Company's shares are permitted to commence; and
- (b) in respect of a Share Sale or an Asset Sale, the date of receipt from the buyer(s) of the consideration first payable on completion of that Share Sale or Asset Sale;

**Realisation Value**

means:

- (a) in respect of a Listing, the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as

determined by the merchant bank (or, if none, the broker) appointed by the Board to advise in connection with the Listing;

- (b) in respect of a Share Sale, the aggregate price paid or payable for the Shares together with the cash value of any other consideration (in cash or otherwise) received or receivable by the holders of the Shares which, having regard to the substance of the Share Sale as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Shares but excluding, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings; and
- (c) in respect of an Asset Sale, the aggregate price paid or payable for the assets being sold together with the cash value of any other consideration (in cash or otherwise) received or receivable by the Company or any Group Company which, having regard to the substance of the Asset Sale as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of those assets but excluding, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings (including the Investor Loan),

provided that:

- (i) to the extent that the relevant Realisation includes an element of deferred consideration (whether contingent or non-contingent) its value shall not be included in the calculation of the Realisation Value until such deferred consideration is received by the holders of the Shares (or, in the case of an Asset Sale, the Company or a Group Company) in which case the full value of the amount actually received shall then be taken into account; and
- (ii) the Realisation Value shall be determined by the Board (acting reasonably) with the consent of the holders of 80% the Shares and their determination shall be final and binding on the Company and all the Members save in the case of manifest error;

#### **Recognised Investment Exchange**

has the meaning given in section 285(1) Financial Services and Markets Act 2000;

#### **Relevant Member**

a Member in respect of whom the Directors have notified the Company that an event shall be treated as a Transfer Event in accordance with article 30;

#### **Relevant Shares**

any shares:

- (a) held by the Member at the time of the relevant Transfer Event;
- (b) held at the time of the relevant Transfer Event by any Family Member or Family Trust of the Member (which Shares were acquired by that Family Member or Family Trust directly or indirectly from the Member); and
- (c) acquired by the Member, his Family Members, Family Trusts and/or personal representatives after the occurrence of the Transfer Event pursuant to any share option scheme or any other scheme or arrangement entered into prior to the transfer event;

#### **Rolled Shareholders Director**

- (a) Nick Miller; or

- (b) such other individual appointed by a Rollover Majority in accordance with article 19.4;

**Rollover Majority**

the Members who together at the relevant time are the holders of more than 50 per cent of the D Shares in issue;

**Second Threshold**

£22,000,000;

**Second Threshold Percentage**

25 per cent. of the amount of the proceeds between the Second Threshold and the Third Threshold;

**Shareholder or Member**

means a person who is the holder of a share;

**share or Share**

means any shares of any class in the capital of the Company;

**Share Option Scheme**

any scheme of the Company or any other Group Company for the grant of HM Revenue & Customs approved or unapproved share options or Enterprise Management Incentive share options pursuant to Schedule 5 of the Income Tax (Earnings and Pensions) Act 2003 to employees, officers and/or consultants of the Company or other Group Company established and as amended or superseded from time to time;

**Share Sale**

the transfer of any interest in any Shares (whether by one transaction or a series of transactions), other than a transfer in accordance with article 32 which results in a Change of Control;

**special resolution**

has the meaning given in section 283 of the Act;

**Subscription Price**

in relation to any Share, the amount paid up or credited as paid up on such Share including the full amount of any premium at which such Share was issued;

**subsidiary**

has the meaning given in section 1159 of the Act;

**Third Party Purchaser**

any person who is not a party to the Deed of Covenant from time to time or a person connected with such a party;

**Third Threshold**

£25,000,000;

**Third Threshold Percentage**

40 per cent. of the amount of the proceeds in excess of the Third Threshold;



**Transfer Event**

each of the events set out in article 30;

**Transfer Notice**

a notice in accordance with article 29.1 that a Member wishes to transfer his Shares;

**transmittee**

means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and

**writing**

means 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 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
  - 1.4.1 any subordinate legislation from time to time made under it, and
  - 1.4.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 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.

**2. LIABILITY OF MEMBERS**

The liability of the members is limited to the amount, if any, unpaid on the shares held by them.

**Part 2 - Directors****DIRECTORS' POWERS AND RESPONSIBILITIES****3. DIRECTORS' GENERAL AUTHORITY**

Subject to the remaining provisions of the Articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

**4. SHAREHOLDERS' RESERVE POWER**

- 4.1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action.
- 4.2 No such special resolution invalidates anything which the directors have done before the passing of the resolution.

## **5. DIRECTORS MAY DELEGATE**

5.1 Subject to the remaining provisions of the Articles, the directors may delegate any of the powers which are conferred on them under the Articles:

- 5.1.1 to such person or committee;
- 5.1.2 by such means (including by power of attorney);
- 5.1.3 to such an extent;
- 5.1.4 in relation to such matters or territories; and
- 5.1.5 on such terms and conditions, as they think fit.

5.2 If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.

5.3 The directors may revoke any delegation in whole or part, or alter its terms and conditions.

## **6. COMMITTEES**

6.1 Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the Articles which govern the taking of decisions by directors.

6.2 The directors may make rules of procedure for all or any committees, which prevail over rules derived from the Articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **7. DIRECTORS TO TAKE DECISIONS COLLECTIVELY**

7.1 The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with article 8.

7.2 **If:**

- 7.2.1 the company only has one director for the time being, and
- 7.2.2 no provision of the Articles requires it to have more than one director,

the general rule does not apply, and the director may (for so long as he remains the sole director) take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.

### **8. UNANIMOUS DECISIONS**

8.1 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.

8.2 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.

## **9. CALLING A DIRECTORS' MEETING**

- 9.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 9.2 Notice of any directors' meeting must indicate:
- 9.2.1 its proposed date and time;
  - 9.2.2 where it is to take place; and
  - 9.2.3 if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 9.3 Notice of a directors' meeting must be given to each director, but need not be in writing.
- 9.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **10. PARTICIPATION IN DIRECTORS' MEETINGS**

- 10.1 Subject to the Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- 10.1.1 the meeting has been called and takes place in accordance with the Articles, and
  - 10.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 10.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- 10.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

## **11. QUORUM FOR DIRECTORS' MEETINGS**

- 11.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 11.2 Subject to article 11.3, the quorum for the transaction of business at a meeting of directors is three directors.
- 11.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 15 to authorise a director's conflict, if there is only one director in office besides the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.
- 11.4 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 11.4.1 to appoint further directors, or
  - 11.4.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## **12. CHAIRING OF DIRECTORS' MEETINGS**

12.1 The directors may appoint a director to chair their meetings. The person so appointed for the time being is known as the chairman. The directors may terminate the chairman's appointment at any time.

12.2 If the chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

## **13. CASTING VOTE**

13.1 The chairman of the directors meeting shall not have a casting vote.

## **14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

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

14.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;

14.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

14.1.3 shall be entitled to vote at a meeting of directors or of a committee of the directors, or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;

14.1.4 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;

14.1.5 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

14.1.6 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.

14.2 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

14.3 Subject to article 14.4, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

14.4 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that

meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

## 15. **DIRECTORS' CONFLICTS OF INTEREST**

15.1 For the purposes of section 175 of the Act the directors may, in accordance with the requirements set out in this article 15 authorise any matter proposed to them by any director which would, if not authorised constitute or give rise to a situation in which a director has or can have, a direct or indirect interest which conflicts, or possibly may conflict with the interest of the company (including, without limitation, in relation to the exploitation of any property, information or opportunity, whether or not the company could take advantage of it) (Conflict).

15.2 Any authorisation under this article 15 (**Conflict Authorisation**) will be effective only if:

15.2.1 the director has disclosed to the other directors the nature and extent of his interest in any Conflict, such disclosure to be made as soon as reasonably practicable;

15.2.2 the matter in question shall have been proposed by any director for consideration at a meeting of directors 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;

15.2.3 any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and

15.2.4 the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

15.3 Any Conflict Authorisation may (whether at the time of giving the authority or subsequently):

15.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

15.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine;

15.3.3 be terminated or varied by the directors at any time.

This will not affect anything done by the director prior to such termination or variation in accordance with the terms of the authorisation.

15.4 In giving a Conflict Authorisation, the directors may decide (whether at the time of giving the authority or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person the director is under no obligation to:

15.4.1 disclose such information to the directors or to any director or other officer or employee of the company;

15.4.2 use or apply any such information in performing his duties as a director of the company,

where to do so would amount to a breach of that confidence.

15.5 In giving a Conflict Authorisation the directors may provide (whether at the time of giving the authority or subsequently) without limitation to article 15.3.2 that the director:

15.5.1 is excluded from discussions and/or the making of decisions (whether at meetings of directors or otherwise) related to the Conflict;

- 15.5.2 is not given any documents or other information relating to the Conflict;
- 15.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.
- 15.6 Where the directors give a Conflict Authorisation:
  - 15.6.1 the terms of the Conflict Authorisation shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded);
  - 15.6.2 the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict Authorisation;
  - 15.6.3 the director will not infringe any duty he owes to the company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the directors impose in respect of the Conflict Authorisation.
- 15.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 16. **RECORDS OF DECISIONS TO BE KEPT**
  - 16.1 The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.
  - 16.2 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.
- 17. **DIRECTORS' DISCRETION TO MAKE FURTHER RULES**
  - 17.1 Subject to the Articles, the directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to directors.

## **APPOINTMENT AND REMOVAL OF DIRECTORS**

- 18. **NUMBER OF DIRECTORS**
  - 18.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.
- 19. **METHODS OF APPOINTING DIRECTORS**
  - 19.1 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:
    - 19.1.1 by ordinary resolution, or
    - 19.1.2 by a decision of the directors.
  - 19.2 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

- 19.3 For the purposes of article 19.2, where 2 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.
- 19.4 The holders of D Ordinary Shares shall be entitled acting by a Rolled Shareholders Majority to appoint a Rolled Shareholders Director to be a director of the company by notice in writing to the company and from time to time to remove any such person from office and appoint another person in his place by giving written notice of such to the company.
- 19.5 Any appointment or removal pursuant to article 19.4 shall be made by notice in writing to the company. Such notice must be left at or sent by post to the registered office of the company and the appointment or removal (as the case may be) shall take effect when the notice is received by the company or, if later, on such date (if any) as may be specified in the notice.

## **20. TERMINATION OF DIRECTOR'S APPOINTMENT**

- 20.1 A person ceases to be a director as soon as:
- 20.1.1 that person ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law;
  - 20.1.2 a bankruptcy order is made against that person;
  - 20.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 20.1.4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;
  - 20.1.5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have;
  - 20.1.6 notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms;
  - 20.1.7 save in respect of the Rolled Shareholders Director notice in writing removing that director from office is received by the company or such later time as may be specified in that notice from a holder or holders of the whole or a majority in nominal value of the issued ordinary shares in the capital for the time being of the company.

## **ALTERNATE DIRECTORS**

### **21. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 21.1 Any director (the "appointor") may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- 21.1.1 exercise that director's powers, and
  - 21.1.2 carry out that director's responsibilities,
- in relation to the taking of decisions by the directors in the absence of the alternate's appointor.
- 21.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

- 21.3 The notice must:
- 21.3.1 identify the proposed alternate, and
  - 21.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

## **22. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

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

- 22.2 Except as the Articles specify otherwise, alternate directors:

- 22.2.1 are deemed for all purposes to be directors;
- 22.2.2 are liable for their own acts and omissions;
- 22.2.3 are subject to the same restrictions as their appointors; and
- 22.2.4 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.

- 22.3 A person who is an alternate director but not a director:

- 22.3.1 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);
- 22.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- 22.3.3 shall not be counted as more than one director for the purposes of articles 22.3.3.

- 22.4 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).

- 22.5 An alternate director is not entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

## **23. TERMINATION OF ALTERNATE DIRECTORSHIP**

- 23.1 An alternate director's appointment as an alternate terminates:

- 23.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- 23.1.2 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;
- 23.1.3 on the death of the alternate's appointor; or when the alternate's appointor's appointment as a director terminates.



24. **SECRETARY**

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

**Part 3 - Shares And Distributions**

**SHARES**

25. **ALL SHARES TO BE FULLY PAID UP**

- 25.1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- 25.2 This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

26. **ISSUE OF SHARES**

- 26.1 Subject to article 26.6, any unissued Shares which the Directors propose to issue from time to time shall, before they are issued, be offered to the Members. Such offer shall be made by means of a notice (**Subscription Notice**) served by the Board on all Members which shall:
- 26.1.1 state the number and class of Shares offered;
  - 26.1.2 state the subscription price per Share, which shall be determined by the Board;
  - 26.1.3 invite the relevant offerees to respond in writing to the Company stating the number of Shares for which they wish to subscribe;
  - 26.1.4 expire, and the offer made therein shall be deemed to be withdrawn, on the date specified therein, being not less than 10 nor more than 20 Business Days after the date of the Subscription Notice; and
  - 26.1.5 include any relevant conditions including if in addition to subscribing for Shares pursuant to any Subscription Notice, they are also proposing to loan monies to the company at the same time (whether by subscription for loan notes or otherwise) (**a Further Loan**) then the relevant offerees shall also be required to make loans to the company on the same terms;
- 26.2 After the expiry of the period referred to in the Subscription Notice or, if sooner, upon all Members having responded to the Subscription Notice (in either case the **Subscription Allocation Date**), the Board shall allocate the relevant Shares in accordance with the applications received provided that:
- 26.2.1 if there are applications for more than the number of Shares available, the Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Share than he applied for) to the number of Shares held by each of them respectively; and
  - 26.2.2 the allocation of any fractional entitlements to Shares amongst the Members shall be dealt with by the Board.
- 26.3 Within 5 Business Days of the Subscription Allocation Date the Board shall give notice in writing (**a Subscription Allocation Notice**) to each Shareholder to whom Shares have been

allocated pursuant to article 26.2 (each a **Subscriber**). A Subscription Allocation Notice shall state:

- 26.3.1 the number and class of Shares allocated to that Subscriber;
  - 26.3.2 the aggregate subscription price payable by the Subscriber in respect of the Shares allocated to him; and
  - 26.3.3 the place, date and time (being not less than 2 nor more than 5 Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the relevant Shares shall take place.
- 26.4 Completion of a subscription for Shares pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds and the Company will allot the relevant Shares to that Subscriber and deliver to that Subscriber a duly executed share certificate in respect thereof. If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect of any Shares to the Company in cleared funds by the date specified in the Subscription Allocation Notice he shall be deemed to have declined the offer made to him in respect of those Shares which shall immediately be deemed to be released from the provisions of articles 26.1 to 26.3.
- 26.5 Any Shares which are not accepted pursuant to articles 26.1 to 26.4, and any Shares released from the provisions of those articles either by virtue of a Subscriber's default in accordance with article 26.4 or by virtue of a special resolution of the Company, may be offered by the Directors and such Shares shall, subject to the provisions of the Companies Acts and article 26, be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that:
- 26.5.1 no Share shall be issued at a discount;
  - 26.5.2 no Share shall be issued on terms which are more favourable than those on which they were offered to the Members pursuant to this article 26; and
  - 26.5.3 no Share shall be issued more than 3 months after the date of the relevant Subscription Notice in respect thereof (or, in the case of Shares released from the provisions of articles 26.1 to 26.4 by virtue of a special resolution, the date of that special resolution) unless the procedure in articles 26.1 to 26.4 is repeated in relation to that Share.
- 26.6 Notwithstanding any other provision of these Articles, no Share shall be allotted to a person who is not already a party to the Deed of Covenant unless that person has entered into a deed of adherence to, and in the form required by, the Deed of Covenant.

## **27. TRANSFER OF SHARES - GENERAL**

- 27.1 Notwithstanding any other provision of these Articles, the Board shall not register a transfer of any interest in a Share:
- 27.1.1 if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who is of unsound mind; or
  - 27.1.2 unless:
    - (a) the transfer is permitted by article 28; or
    - (i) the transfer is made in accordance with article 29 or 30 or 31 or 32;

and in either case (other than in respect of a transfer to a Third Party Purchaser under article 31 or 32) the transferee, if not already a party to the Deed of Covenant, has entered into a deed of adherence to, and in the form required by, the Deed of Covenant.

27.2 For the purposes of ensuring that:

27.2.1 a transfer of any Share is in accordance with these Articles;

27.2.2 no circumstances have arisen whereby a Member is required to give or may be deemed to have given a Transfer Notice in respect of any Share; or

27.2.3 no circumstances have arisen whereby the provisions of articles 30 or 32 are required to be or ought to have been triggered,

the Board may from time to time require any Member to provide, or to procure that any person named as the transferee in any transfer lodged for registration or any other person whom the Board reasonably believes to have information relevant to such purpose provides, such information and evidence as the Board may reasonably require for such purpose. Pending such information or evidence being provided, the Board is entitled to refuse to register any relevant transfer of Shares.

27.3 If any information or evidence provided pursuant to article 27.2 discloses to the reasonable satisfaction of the Board that circumstances have arisen whereby a Member may be required to give or be deemed to have given a Transfer Notice the Directors may by notice in writing to the relevant Member require that a Transfer Notice be given in respect of the Shares concerned.

27.4 In any case where a Member is required to give a Transfer Notice in accordance with the provisions of these Articles and such Transfer Notice is not duly given within a period of 10 Business Days of written notice from the Directors to the relevant Member requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 10 Business Days. Notwithstanding any other provision of these Articles any Shares which are the subject of a Transfer Notice deemed to have been served in accordance with this article 27.4 (and any Shares received after the date of service, or deemed service, of any such Transfer Notice by way of rights or on a capitalisation in respect of the Shares which are the subject of that Transfer Notice) shall with effect from the date of the relevant Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer upon the holder thereof any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or of the holders of any class of Shares) until such time as another person is entered in the register of members of the Company as the holder of those Shares.

27.5 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.

27.6 Where any Shares are the subject of a Transfer Notice (including a Compulsory Transfer Notice deemed to have been given in accordance with article 30.2), no transfer of any such Shares shall be permitted pursuant to article 28.

## **28. PERMITTED TRANSFERS TRANSFER TO A FAMILY MEMBER**

28.1 Subject to articles 28.2 and 28.3 and the consent of the remaining Members, any individual Member may at any time transfer any of the Shares held by him to one or more of his Family Members.

28.2 No transfer of Shares shall be permitted pursuant to article 28.1 if the registration of that transfer would result in the number of Shares held by the relevant transferor representing less

than 50% of the total number of Shares held from time to time by that transferor, his Family Members and/or any Family Trust of his.

- 28.3 Where any Member (in this article 28.3 the "transferor") transfers Shares to a Family Member (in this article 28.3 the "transferee") the transferor shall procure, before the transfer is presented for registration, that he is appointed, on terms reasonably satisfactory to the Board, as the attorney of the transferee to exercise, in the name of and on behalf of the transferee, all or any of the rights in relation to the Shares transferred to him and for that purpose the transferee hereby authorises the Company to send any written resolutions, notices or other communications in respect of the Shares registered in the name of the transferee to the transferor.
- 28.4 Where, following a transfer of Shares pursuant to article 28.1, the transferee of those Shares ceases for any reason to be a Family Member of the original transferor of those Shares, such transferee shall forthwith, and in any event within 20 Business Days of the date on which the transferee ceased to be a Family Member of the original transferor, transfer all the Shares held by him to the original transferor failing which the Directors may at any time require such transferee to serve a Transfer Notice in respect of all the Shares held by him and the provisions of article 29 shall apply.
- 28.5 A Family Member to whom Shares have been transferred pursuant to articles 28.1 to 29 may transfer those Shares back to the original transferor at any time but may not otherwise transfer such Shares pursuant to this article 28.

#### **Transfer to a Family Trust**

- 28.6 Subject to the consent of the remaining Members and to article 28.7, any individual Member may at any time transfer any of the Shares held by him to one or more trustees to be held on a Family Trust.
- 28.7 No transfer of Shares shall be permitted pursuant to article 28.6 if the registration of that transfer would result in the number of Shares held by the relevant transferor representing less than 50% of the total number of Shares held from time to time by that transferor, his Family Members and/or any Family Trust of his (where such Family Member or Family Trust acquired Shares, directly or indirectly, from that transferor).
- 28.8 Where the consent of the remaining Members is required in relation to a transfer of Shares pursuant to article 28.6, that consent will be given when all of the remaining Members together are satisfied:
- 28.8.1 with the terms of the instrument constituting the Family Trust;
  - 28.8.2 with the identity of the proposed trustee(s) of the Family Trust;
  - 28.8.3 that the proposed transfer will not result in more than 50% of the Shares being held by the trustee(s) of the Family Trust and any other trust; and
  - 28.8.4 that no costs incurred in the setting up or administration of the Family Trust are to be paid by any Group Company.
- 28.9 Where any Shares are held by a trustee(s) on a Family Trust, those Shares may be transferred to:
- 28.9.1 any new trustee(s) of the Family Trust appointed on a change in trustee(s);
  - 28.9.2 the settlor of such Family Trust;
  - 28.9.3 the trustees of another Family Trust which has the same settlor; or
  - 28.9.4 any Family Member of the settlor of such Family Trust.

28.10 Where any Shares are held by a trustee(s) on a Family Trust and either:

28.10.1 the relevant trust ceases to be a Family Trust in relation to the settlor; or

28.10.2 there ceases to be any beneficiaries of the Family Trust other than charities,

the trustee(s) shall forthwith, and in any event within 20 Business Days of the date on which the trust ceased to be such a Family Trust or there ceased to be any beneficiaries as aforesaid, transfer all the Shares held by them to the original transferor failing which the Directors may at any time require such trustee(s) to serve a Transfer Notice in respect of all the Shares held by them and the provisions of article 29 shall apply.

**28.11 Transfer to a Family Investment Company**

28.11.1 Subject to article 28.11.2 any individual member may transfer by one or more transfers all Shares held by that member to a Family Investment Company.

28.11.2 No transfer of shares shall be permitted under article 28.11.1 unless the Board is satisfied:

(a) with the articles of association and shareholders agreement relating to the Family Investment Company;

(b) with the identity of the proposed directors and shareholders of the Family Investment Company;

(c) that no costs incurred in the setting up or administration of the Family Investment Company are to be paid by the Company.

**28.12 Transfer within corporate group**

28.12.1 Any Member which is a body corporate may at any time transfer any Shares held by it to a company which is for the time being a subsidiary or holding company of that Member or another subsidiary of such holding company (each a **member of the same group**).

28.12.2 Where, following a transfer or series of transfers of Shares pursuant to this article 28.12, the transferee of any Shares ceases at any time for any reason to be a member of the same group as the original transferor of those Shares, such transferee shall forthwith transfer all the Shares held by it to the original transferor (or another member of the same group as that original transferor) for such consideration as they may agree between them and, if they do not agree such consideration or if the transfer is not effected for any other reason within 20 Business Days of the date on which the transferee ceased to be a member of the same group as the original transferor, the Directors may (and shall, if so requested to do by an Investor Director) authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee and register the original transferor of those Shares as the holder of such Shares.

**28.13 Permitted Transfers – Treasury Shares**

28.13.1 Any Share held by the Company (including as a treasury share) may be sold or transferred to any person or cancelled in each case in accordance with the Act, and with the approval of the holders of 80 per cent. of the Shares.

28.13.2 Any B Ordinary Shares held by Christopher Chown and/or Spencer Berry may be sold or transferred to the Company in accordance with the Act and with the approval of 80 per cent. of the Shares.

28.14 Any Shares held by Brad Dowden may be transferred to Ian Langley pursuant to the Share Deed entered into by them on or around the date of these Articles.

## 29. PRE-EMPTION ON TRANSFER OF SHARES

### 29.1 Transfer Notice

29.1.1 Except as permitted under article 28 (Permitted Transfers) or as provided for in articles 31 (Drag Along) and 32 (Tag Along), any Member (a **Seller**) who wishes to transfer any Share (or any interest in any Share) shall, before transferring or agreeing to transfer such Share or interest therein, give notice in writing (a **Transfer Notice**) to the Company of his wish.

29.1.2 Subject to article 29.1.3, a Transfer Notice shall:

- (a) state the number and class of Shares (**Sale Shares**) which the Seller wishes to transfer;
- (b) state the name of the person (if any) to whom the Seller wishes to transfer the Sale Shares;
- (c) state the price per Share (the **Proposed Price**) at which the Seller wishes to transfer the Sale Shares;
- (d) state if the Transfer Notice is conditional upon all (and not only part) of the Sale Shares being sold pursuant to this article 29 (a **Total Transfer Condition**);
- (e) relate to only one class of Share; and
- (f) constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this article 29.

29.1.3 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these Articles (including a Compulsory Transfer Notice

deemed to have been served in accordance with article 30.2):

- (a) subject to article 30.2, it shall relate to all the Shares registered in the name of the Seller;
- (b) it shall not contain a Total Transfer Condition;
- (c) subject to article 30.3, the Transfer Price shall be determined in accordance with article 29.2.1(b);
- (d) it shall be irrevocable; and
- (e) subject to article 29.3, the Seller may retain any Sale Shares for which Buyers (as defined in article 29.4.2 are not found.

### 29.2 Transfer Price

29.2.1 The Sale Shares will be offered for sale in accordance with this article 29 at the following price (**Transfer Price**):

- (a) subject to the consent of the Board, the Proposed Price; or

- (b) such other price as may be agreed between the Seller and the Board, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice; or
- 29.2.2 If the Seller and the Board are unable to agree on the Transfer Price in accordance with article 29.2.1 the Board shall instruct the Expert to determine and certify the Market Value of each Sale Share in accordance with article 60 calculated on the basis that:
  - (a) the Market Value is the sum which a willing buyer would agree with a willing seller on an arm's length basis to be the purchase price for all the Shares (excluding any Shares held as treasury shares) then in issue, divided by the number of Shares (excluding any Shares held as treasury shares) then in issue;
  - (b) no account shall be taken of the size of the holding which the Sale Shares comprise or whether the Sale Shares represent a majority or minority interest but taking into account the rights and restrictions attaching to the Sale Shares in respect of income and capital; and
  - (c) any difficulty in applying any of the bases set out above shall be resolved by the Auditors as they, in their absolute discretion, think fit.
- 29.2.3 The decision of the Expert (who shall be deemed to act as an expert and not as an arbitrator) shall be final and binding on the Members, save in the event of fraud or manifest error, and their costs for reporting on their opinion of the Market Value shall, subject to article 29.2.4, be borne as directed by the Expert.
- 29.2.4 Where either:
  - (a) the Seller revokes the Transfer Notice in accordance with article 29.2.5; or
  - (b) in the case of a Transfer Notice which is deemed to have been given by virtue of any provision of these Articles, the Market Value is less than the price proposed by the Board to the Seller not less than 5 Business Days prior to receipt of the Experts' report by the Company,

then the Experts' fees shall be borne wholly by the Seller.
- 29.2.5 Where the Market Value is less than the Proposed Price the Seller may, by notice in writing served on the Company within 5 Business Days of the date on which the notification of the Market Value was first served on the Seller by the Company or the Expert, revoke any Transfer Notice which was not stated to be, or which is not deemed by virtue of any provision of these Articles to be, irrevocable.
- 29.3 Offer Notice
  - 29.3.1 Subject to article 29.3.2, the Board shall serve a notice (an **Offer Notice**) on all Members to whom the Sale Shares are to be offered in accordance with these Articles within 20 Business Days of the Transfer Price being agreed or determined in accordance with these Articles.
  - 29.3.2 An Offer Notice shall not be sent, and no Sale Shares shall be treated as offered to, the Seller or any Member who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name.
  - 29.3.3 An Offer Notice shall:
    - (a) state the Transfer Price;

- (i) contain the other information set out in the Transfer Notice;
- (ii) invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase; and
- (iii) expire, and the offer made therein shall be deemed to be withdrawn, on a date which is not less than 20 nor more than 40 Business Days after the date of the Offer Notice.

29.3.4 The Sale Shares shall be offered to all of the other Members of the Company pro rata to their existing shareholdings in the Company.

#### 29.4 Allocation of Sale Shares

29.4.1 After the expiry of the period specified in the Offer Notice or, if sooner, upon all Members having responded to the Offer Notice and the Company having received valid applications for all the Sale Shares (in either case the **Allocation Date**), the Board shall allocate the Sale Shares in accordance with the applications received provided that:

- (a) if there are applications for more than the number of Sale Shares available for that Member, the Sale Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Sale Shares than he applied for) to the number of Shares held by each of them respectively; and
- (b) the allocation of any fractional entitlements to Sale Shares amongst Members shall be dealt with by the Board in such manner as it sees fit;

29.4.2 Within 5 Business Days of the Allocation Date the Board shall give notice in writing (an **Allocation Notice**) to the Seller and each Member to whom Sale Shares have been allocated pursuant to article 29.4.1 (each a **Buyer**). An Allocation Notice shall state:

- (a) the number and class of Sale Shares allocated to that Buyer;
- (b) the name and address of the Buyer;
- (c) the aggregate purchase price payable by the Buyer in respect of the Sale Shares allocated to him;
- (d) the information (if any) required pursuant to article 29.4.4; and
- (e) subject to article 29.4.4, the place, date and time (being not less than 2 nor more than 5 Business Days after the date of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place.

29.4.3 Subject to article 29.4.4, completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) therefor, to that Buyer.



29.4.4 If the Transfer Notice contained a Total Transfer Condition and the total number of Shares applied for and allocated to the Buyers in accordance with article 29.4.1 is less than the total number of Sale Shares then:

- (a) the Allocation Notice will refer to the Total Transfer Condition and will contain a further offer (the Further Offer) to the Buyers inviting them to apply for further Sale Shares at the Transfer Price;
- (b) the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 20 Business Days) specified in the Allocation Notice;
- (c) any Sale Shares accepted by the Buyers pursuant to the Further Offer shall be allocated amongst them in accordance with the provisions of articles 29.4.1(a) and 29.4.1(b); and
- (d) following the allocation of any Sale Shares amongst the Buyers in accordance with paragraph (c) above, and provided all the Sale Shares have then been allocated, the Board shall issue revised Allocation Notices in accordance with article 29.4.2 but omitting paragraph (iv) of that article 29.4.2.

29.4.5 Subject to article 29.4.6, the service of an Allocation Notice (or a revised Allocation Notice in accordance with article 29.4.4) shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified therein on the terms offered to that Buyer.

29.4.6 If after following the procedure set out in this article 29 the total number of Shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then:

- (a) if the Transfer Notice contained a Total Transfer Condition, then notwithstanding any other provision of this article 29 no Sale Shares shall be deemed to have been allocated to any Buyer and the Seller and the Buyers shall not be bound to sell or purchase any Sale Shares in accordance with this article 29; and
- (b) the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares.

## 29.5 Default by the Seller

If a Seller shall fail for any reason (including death) to transfer any Sale Shares to a Buyer when required by this article 29, the Board may authorise any Director (who shall, for this purpose, be deemed to have been irrevocably appointed as the attorney of the Seller) to execute each necessary transfer of Sale Shares on the Seller's behalf and to deliver that transfer to the relevant Buyer. The Company may receive the purchase money from a Buyer on behalf of the Seller and thereafter shall, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to him. The receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it) and after the Buyer has been registered in purported exercise of the power conferred by this article 29.5 the validity of the proceedings shall not be questioned by any person. The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered the share certificate(s) in respect of the relevant Shares (or a suitable indemnity in a form reasonably satisfactory to the Board) to the Company.

## 29.6 Transfers following exhaustion of pre-emption rights

If any Sale Shares are not allocated to a Buyer under any of the foregoing provisions of this article 29 the Seller may, at any time within 3 calendar months of the date of service of the notice referred to in article 29.4.6(b)), sell any of those unallocated Sale Shares to the person named in the Transfer Notice (or, if none was so named, any other person) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser) provided that:

- 29.6.1 no Share shall be sold to, and the Board shall not register a transfer to, a person who is not already a Member without the prior written consent of the Board;
- 29.6.2 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of the Board; and
- 29.6.3 the Board shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 32 until such time as that offer has been made and, if accepted, completed.

### 30. **COMPULSORY TRANSFERS**

30.1 In this article 30 each of the following shall be a **Transfer Event** in relation to a Member:

- 30.1.1 a bankruptcy order being made against that Member or that Member being declared bankrupt by any court of competent jurisdiction;
- 30.1.2 that Member making an offer to make any arrangement or composition with his creditors generally;
- 30.1.3 that Member suffering from mental disorder and being admitted to hospital;
- 30.1.4 that Member (other than a Rolled Shareholders Director), being an employee or director of, or a consultant to, a Group Company, ceasing to be such an employee, director or consultant other than by reason of death (including where such cessation occurs as a result of a Group Company ceasing to be a Group Company) where the Member does not remain, or immediately thereupon become, an employee or director of, or a consultant to, another Group Company;
- 30.1.5 any step being taken for the appointment of a receiver, manager or administrative receiver over all or any material part of the Member's assets, or any other steps being taken to enforce any Encumbrance over all or any material part of the Member's assets or any Shares held by that Member; or
- 30.1.6 any proceedings or orders equivalent or analogous to any of those described in articles 30.1.1 to 30.1.5 above occurring in respect of the Employee Member under the law of any jurisdiction outside England and Wales;

30.2 Upon the Board notifying the Company within 6 months of becoming aware of such event that such event is a Transfer Event that Member and any other person holding Compulsory Transfer Shares, shall be deemed to have served a Transfer Notice (a **Compulsory Transfer Notice**) in respect of all the Compulsory Transfer Shares then held by each of them respectively. A Compulsory Transfer Notice shall supersede any current Transfer Notice in respect of any Compulsory Transfer Shares.

30.3 The Compulsory Transfer Shares shall be offered for sale in accordance with the provisions of article 29 as if the Compulsory Transfer Shares were Sale Shares except that where the

relevant Transfer Event falls within the provisions of article 30.1.4, the Transfer Price in respect of the Compulsory Transfer Shares shall be:

30.3.1 where the Member is a Bad Leaver, whichever is the lower of:

- (a) their Market Value; and
- (b) their Subscription Price

30.3.2 where the Member is a Good Leaver, their Market Value.

30.4 Any dispute as to whether the provisions of article 30.3.1 or 30.3.2 apply in relation to any Compulsory Transfer Notice shall not affect the validity of a Compulsory Transfer Notice nor shall it delay the procedure to be followed under article 29 in respect thereof. If, however, the Subscription Price is less than the Market Value any Buyer acquiring Compulsory Transfer Shares pursuant to a Compulsory Transfer Notice while such dispute is continuing shall pay to the Seller whichever is the lower of their Market Value and their Subscription Price and shall, in addition, pay to the Company an amount equal to the difference between their Market Value and their Subscription Price. The Company shall hold such amount as trustee in a separate interest-bearing account and shall, upon final resolution of the relevant dispute, pay such amount (together with interest thereon but less any applicable bank charges) to:

30.4.1 the Seller, in respect of any Compulsory Transfer Shares which are determined to be sold for their Market Value; or

30.4.2 the Buyer, in respect of any Compulsory Transfer Shares which are determined to be sold for their Subscription Price.

30.5 For the purposes of article 30.1.4 the date of cessation of a Member's employment, directorship or engagement shall be (or be deemed to be) the date on which they cease to be employed or engage.

30.6 The provisions of this Article 30 shall not apply on the death of any Member.

## 31. DRAG ALONG

31.1 Subject to articles 31.11, 31.12 and 31.13, if at any time, the Board (together the **Selling Members**) wish to transfer all their Shares to a proposed purchaser (**Proposed Purchaser**), they shall have the option (**Drag Along Option**) to require all or any of the other Members (**Remaining Members**) to transfer all their Shares with full title guarantee to the Proposed Purchaser (or as the Proposed Purchaser shall direct) in accordance with this article 31 provided always that in the event that the Realisation Value is less than the Hurdle the prior consent of Members holding in aggregate 80% of the issued share capital of the Company is required before the service of a Drag Along Notice.

31.2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect (**Drag Along Notice**) to each of the Remaining Members at any time before the registration of the transfer of the Selling Members' Shares. A Drag Along Notice shall specify:

31.2.1 that the Remaining Members are required to transfer all their Shares (the **Remaining Shares**) pursuant to this article 31;

31.2.2 the identity of the Proposed Purchaser;

31.2.3 the consideration for which, or the price at which, the Remaining Shares are to be transferred in accordance with article 31.4 (the **Drag Along Consideration**); and

31.2.4 the proposed date of transfer (if known).

- 31.3 A Drag Along Notice may be revoked at any time prior to the completion of the sale and purchase of the Remaining Shares.
- 31.4 Subject to article 31.5, the Drag Along Consideration shall be the same consideration per Remaining Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Proposed Purchaser in respect of each Share held by the Selling Members.
- 31.5 Prior to completion of the sale and purchase of the Remaining Shares, the Proposed Purchaser may direct by notice in writing to the Company that any Remaining Member is paid the cash equivalent of any non-cash consideration due to the Selling Members from the Proposed Purchaser in lieu of such non-cash consideration. Such cash consideration in lieu may be paid to a Remaining Member either on completion or at the same time as the relevant non-cash consideration is received by the Selling Members. The decision of the Proposed Purchaser as to the amount of any cash consideration in lieu of any non-cash consideration shall be final and binding on the Company and all the Members.
- 31.6 Completion of the sale and purchase of the Remaining Shares shall take place on the same date as completion of the sale and purchase of the Selling Members' Shares.
- 31.7 Upon the service of a Drag Along Notice each Remaining Member shall be deemed to have irrevocably appointed each of the Selling Members (severally) as the agent of the Remaining Member to execute, in the name of and on behalf of that Remaining Member, any stock transfer form and covenant for full title guarantee in respect of the Remaining Shares registered in the name of that Remaining Member and to do such other things as the attorney may consider necessary or desirable to transfer and complete the sale of the Remaining Shares pursuant to this article 31.
- 31.8 The provisions of this article 31 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, the rights of pre-emption and other restrictions on transfer of Shares contained in these Articles shall not apply to the transfer of any Shares to a Proposed Purchaser named in a Drag Along Notice (or as that Proposed Purchaser may direct). Any Transfer Notice or Compulsory Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with article 29.6 automatically be revoked by the service of a Drag Along Notice.
- 31.9 Upon any person (**New Member**) becoming, at any time after the service of a Drag Along Notice, a registered holder of any Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall immediately be deemed to have been served upon that New Member who shall thereupon be bound to sell and transfer all the Shares acquired by him to the Proposed Purchaser (or as the Proposed Purchaser may direct). The provisions of this article 31 shall apply mutatis mutandis to the sale of any Shares by such New Member provided that completion of the sale and purchase of those Shares shall take place on whichever is the later of:
- 31.9.1 the date on which a Drag Along Notice is deemed to have been served on the New Member pursuant to this article 31.8; and
- 31.9.2 the date of completion of the sale and purchase of the Remaining Shares pursuant to the original Drag Along Notice.
- 31.10 Each Remaining Member shall bear their share of all costs and expenses including all adviser fees (together with any applicable VAT on those costs and expenses) relating to the transfer of Shares by Members to the Proposed Purchaser in the same proportions as the consideration of whatever form received by that Remaining Member bears to the aggregate consideration (of whatever form) received by all members transferring shares to the Proposed Purchaser. Each agent appointed under article 31.7 shall be entitled to direct that any deductions are made from the Drag Along Consideration due to any Remaining Member to satisfy the obligations of that Remaining Member under this article 31.

- 31.11 If at any time the Board wish to accept an offer (a **Third Party Offer**) from a Proposed Purchaser (as defined in article 31.1) to acquire all their Shares, the Board shall give notice (a **Board Sale Notice**) to the Remaining Members of their intention to accept the Third Party Offer.
- 31.12 The Remaining Members or any of them may, within 5 Business Days of the date of the Board Sale Notice, notify the Board that they wish to acquire (or procure the acquisition of) all the Shares and the Remaining Members must then submit an offer (the **Remaining Members' Offer**) for those Shares within 10 Business Days of the date of the Board Sale Notice. The Remaining Members' Offer must:
- 31.12.1 be on the same terms as the Third Party Offer, including as to the aggregate price payable for, or consideration due in respect of, the Shares, the nature of the consideration, the timetable for completion and the certainty of delivery;
  - 31.12.2 contain details of the funding arrangements made by the Remaining Members in connection with such offer, including written indications from third party financiers confirming, in principle, financial backing for such an offer;
  - 31.12.3 state the name of the person(s) who will acquire the Shares; and
  - 31.12.4 state a place, date and time (the **End Date**), being not more than 20 Business Days after the date of the Board Sale Notice, for completion of the sale and purchase of the Shares pursuant to the Remaining Members' Offer.
- 31.13 If:
- 31.13.1 the Remaining Members do not notify the Board within 5 Business Days of the Board Sale Notice that they wish to acquire the Shares; or
  - 31.13.2 the Remaining Members, having indicated that they wish to acquire the Shares, fail to submit a valid Remaining Members' Offer within 10 Business Days of the date of the Board Sale Notice; or
  - 31.13.3 the Remaining Members, having submitted a valid Remaining Members' Offer, fail to complete the sale and purchase of the Shares by the End Date; or
  - 31.13.4 the terms of the Remaining Members' Offer are materially altered at any time,
- then the Remaining Members shall be deemed to have declined to make an offer to acquire the Shares pursuant to this article 31 and the Board shall be free to pursue the Third Party Offer and the Remaining Members shall, at the Board's option be obliged to transfer their Shares to the Proposed Purchaser in accordance with the provisions of articles 31.1 to 31.10.

## 32. TAG ALONG

- 32.1 Subject to Article 31 and save in the case of the transfer of any shares which is permitted under Article 28, but otherwise notwithstanding any other provision of these Articles, no sale or disposition of any Shares (**Committed Shares**) which would result in the acquisition by the Third Party Purchaser of 80% of the share capital in issue shall be made unless the relevant Third Party Purchaser has made a bona fide offer (**Tag Along Offer**) by notice in writing (**Tag Along Notice**) to acquire, in accordance with this article 32, from all the Members other than the Third Party Purchaser (or persons connected with or acting in concert with him) all the Shares which are not Committed Shares (**Uncommitted Shares**) for the consideration, or at the price, (**Tag Along Consideration**) calculated in accordance with articles 32.3. and 32.4.
- 32.2 A Tag Along Notice shall:
- 32.2.1 state the Tag Along Consideration;

- 32.2.2 state the identity of the Third Party Purchaser;
  - 32.2.3 invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer; and
  - 32.2.4 expire, and the offer made therein shall be deemed to be withdrawn, on the date (being not less than 5 nor more than 20 Business Days after the date of the Tag Along Notice) specified therein.
- 32.3 For the purposes of this article 32 the Tag Along Consideration shall be the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Committed Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Committed Shares.
- 32.4 If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Uncommitted Shares within 10 Business Days of the date of the Tag Along Notice, such matter shall be referred for determination to the Auditors and, pending their determination:
- 32.4.1 the period specified in the Tag Along Notice for acceptance of the Tag Along Offer shall not start to run until such time as the Auditors' determination of the Tag Along Consideration is served on the Third Party Purchaser and the Members holding Uncommitted Shares; and
  - 32.4.2 the sale or transfer of the Committed Shares shall have no effect and shall not be registered.

### **33. POWERS TO ISSUE DIFFERENT CLASSES OF SHARE**

- 33.1 Subject to the Articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.
- 33.2 The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.
- 33.3 Except as otherwise provided in these Articles, the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares shall rank *pari passu* in all respects but they shall constitute separate classes of shares.

### **34. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS**

Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the Articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

### **35. SHARE CERTIFICATES**

- 35.1 The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- 35.2 Every certificate must specify:
  - 35.2.1 in respect of how many shares, of what class, it is issued;

- 35.2.2 the nominal value of those shares;
- 35.2.3 that the shares are fully paid; and
- 35.2.4 any distinguishing numbers assigned to them.
- 35.3 No certificate may be issued in respect of shares of more than one class.
- 35.4 If more than one person holds a share, only one certificate may be issued in respect of it.
- 35.5 Certificates must:
  - 35.5.1 have affixed to them the company's common seal, or
  - 35.5.2 be otherwise executed in accordance with the Companies Acts.
- 36. **REPLACEMENT SHARE CERTIFICATES**
  - 36.1 If a certificate issued in respect of a shareholder's shares is:
    - 36.1.1 damaged or defaced, or
    - 36.1.2 said to be lost, stolen or destroyed,
 that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
  - 36.2 A shareholder exercising the right to be issued with such a replacement certificate:
    - 36.2.1 may at the same time exercise the right to be issued with a single certificate or separate certificates;
    - 36.2.2 must return the certificate which is to be replaced to the company if it is damaged or defaced; and
    - 36.2.3 must comply with such conditions as to evidence, and indemnity and the payment of a reasonable fee as the directors decide.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

- 37. **PROCEDURE FOR DECLARING DIVIDENDS**
  - 37.1 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
  - 37.2 At every general meeting at which a dividend is declared, the Company shall by ordinary resolution, direct that such dividend be paid either in respect of one or more class of Shares to the exclusion of other classes, or in respect of all classes of Shares and, where a dividend is declared in respect of all classes of Shares, the Company may by ordinary resolution differentiate between the classes as to the amount or percentage of dividend payable but, in default, the Shares in each class shall be deemed to rank equally in all respects as if they constituted one class of Shares. In the event that different dividends are declared such dividends shall not exceed £410,000 per annum.

- 37.3 No dividends shall be declared on any class of Shares in circumstances where the Directors recommend that no dividend should be declared nor shall any dividend be declared on any class which exceeds the amount recommended by the Directors in respect of that class.
- 37.4 When paying interim dividends, the Directors may make payment to one or more class of Shares to the exclusion of the other classes or to all classes of Shares. When making such payment, the Directors may differentiate between the classes as to the amount or percentage of dividend payable.
- 37.5 A dividend must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it.
- 37.6 If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.
- 37.7 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 37.8 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### **38. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS**

- 38.1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
- 38.1.1 transfer to a bank or building society account specified by the distribution recipient in writing;
  - 38.1.2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipients registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
  - 38.1.3 sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or
  - 38.1.4 any other means of payment as the directors agree with the distribution recipient in writing.
- 38.2 In the Articles, "the distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable:
- 38.2.1 the holder of the share; or
  - 38.2.2 if the share has two or more joint holders, whichever of them is named first in the register of members; or
  - 38.2.3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or otherwise by operation of law, the transmittee.

### **39. NO INTEREST ON DISTRIBUTIONS**

- 39.1 The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:
- 39.1.1 the terms on which the share was issued, or



- 39.1.2 the provisions of another agreement between the holder of that share and the company.

#### **40. UNCLAIMED DISTRIBUTIONS**

- 40.1 All dividends or other sums which are:

- 40.1.1 payable in respect of shares, and

- 40.1.2 unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

- 40.2 The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

- 40.3 If:

- 40.3.1 twelve years have passed from the date on which a dividend or other sum became due for payment, and

- 40.3.2 the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

#### **41. NON-CASH DISTRIBUTIONS**

- 41.1 Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).

- 41.2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- 41.2.1 fixing the value of any assets;

- 41.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and

- 41.2.3 vesting any assets in trustees.

#### **42. WAIVER OF DISTRIBUTIONS**

- 42.1 Subject to article 42.2, distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

- 42.1.1 the share has more than one holder, or

- 42.1.2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share.

- 42.2 Notice in writing waiving an entitlement to a dividend or other distribution pursuant to article 42.1 shall be in a form agreed with the company.

## **CAPITALISATION OF PROFITS**

### **43. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS**

- 43.1 Subject to the Articles, the directors may, if they are so authorised by an ordinary resolution:
- 43.1.1 decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - 43.1.2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- 43.2 Capitalised sums must be applied:
- 43.2.1 on behalf of the persons entitled, and
  - 43.2.2 in the same proportions as a dividend would have been distributed to them.
- 43.3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 43.4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- 43.5 Subject to the Articles the directors may:
- 43.5.1 apply capitalised sums in accordance with articles 43.3 and 43.4 partly in one way and partly in another;
  - 43.5.2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
  - 43.5.3 authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

## **Part 4 - Decision-Making By Shareholders Organisation Of General Meetings**

### **44. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS**

- 44.1 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting.
- 44.2 A person is able to exercise the right to vote at a general meeting when:
- 44.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
  - 44.2.2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.

44.3 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.

44.4 In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.

44.5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to

    speak and vote at that meeting, they are (or would be) able to exercise them.

#### 45. **QUORUM FOR GENERAL MEETINGS**

No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

#### 46. **CHAIRING GENERAL MEETINGS**

46.1 If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.

46.2 If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start:

    46.2.1 the directors present, or

    46.2.2 (if no directors are present), the meeting,

    must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

46.3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

#### 47. **ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS**

47.1 Directors may attend and speak at general meetings, whether or not they are shareholders.

47.2 The chairman of the meeting may permit other persons who are not:

    47.2.1 shareholders of the company, or

    47.2.2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,

    to attend and speak at a general meeting.

#### 48. **ADJOURNMENT**

48.1 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.

48.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:

    48.2.1 the meeting consents to an adjournment, or

- 48.2.2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- 48.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- 48.4 When adjourning a general meeting, the chairman of the meeting must:
  - 48.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
  - 48.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 48.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
  - 48.5.1 to the same persons to whom notice of the company's general meetings is required to be given, and
  - 48.5.2 containing the same information which such notice is required to contain.
- 48.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

## **VOTING AT GENERAL MEETINGS**

- 49. **Voting: general**
- 49.1 A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the Articles.

## **50. ERRORS AND DISPUTES**

- 50.1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
- 50.2 Any such objection must be referred to the chairman of the meeting, whose decision is final.

## **51. POLL VOTES**

- 51.1 A poll on a resolution may be demanded:
  - 51.1.1 in advance of the general meeting where it is to be put to the vote, or
  - 51.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 51.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 51.3 A demand for a poll may be withdrawn if:
  - 51.3.1 the poll has not yet been taken; and
  - 51.3.2 the chairman of the meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

- 51.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **52. CONTENT OF PROXY NOTICES**

- 52.1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:

- 52.1.1 states the name and address of the shareholder appointing the proxy;
- 52.1.2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
- 52.1.3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
- 52.1.4 is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate

and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting.

- 52.2 The company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

- 52.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

- 52.4 Unless a proxy notice indicates otherwise, it must be treated as:

- 52.4.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
- 52.4.2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## **53. DELIVERY OF PROXY NOTICES**

- 53.1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.

- 53.2 An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.

- 53.3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.

- 53.4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

**54. AMENDMENTS TO RESOLUTIONS**

- 54.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
- 54.1.1 notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
  - 54.1.2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.
- 54.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
- 54.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
  - 54.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 54.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**Part 5 - Administrative Arrangements**

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

- 55.1 Subject to the Articles, anything sent or supplied by or to the company under the Articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the company.
- 55.2 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 55.2.1 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 (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
  - 55.2.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 55.2.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
  - 55.2.4 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.

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

- 55.3 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.
- 55.4 Subject to the Articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- 55.5 A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

## 56. **NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS**

Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

## 57. **PROVISION FOR EMPLOYEES ON CESSATION OF BUSINESS**

The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

## **DIRECTORS' INDEMNITY AND INSURANCE**

### 58. **INDEMNITY**

- 58.1 Subject to article 58.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

58.1.2 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 58.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

- 58.3 In this article:

58.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

58.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company but excluding in each case any person engaged by the company (or associated company) as auditor (whether or

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

**59. INSURANCE**

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

59.2 In this article:

59.2.1 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor),

59.2.2 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, any associated company or any pension fund or employees' share scheme of the company or associated company,

59.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate;

**60. EXPERT**

60.1 Where these articles provide for any matter or dispute to be determined by the Expert such matter or dispute shall be referred at the request of any Member or Director to the Auditors provided that in the circumstances referred to in article 60.2 such matter or dispute shall be referred to an independent chartered accountant nominated by the Board in their discretion for this purpose.

60.2 The circumstances referred to in article 60.1 are where the Auditors are unable or unwilling to act in connection with the relevant reference.

60.3 The Company and the Member shall promptly request such determination and shall agree and sign an engagement letter with the Expert in relation to such determination.

60.4 The Company and the relevant Member:

60.4.1 shall use their respective reasonable endeavours to agree the terms of the engagement letter with the Expert:

(a) where the Auditors are to act as the Expert, within 40 Business Days of the date of service of the Transfer Notice; or

(b) where no Auditors are for the time being appointed or they decline or are unable to act as the Expert, within 20 Business Days of the agreement or nomination of the Expert in writing; and

60.4.2 shall not unreasonably withhold or delay their agreement to any terms of engagement proposed by the Expert (which may include a limitation on its liability, a waiver of claims against it and/or "hold-harmless" provisions and other similar indemnities at a level and of a nature consistent with market practice at that time).

60.5 In the absence of agreement of the engagement letter within the relevant period specified in Article 60.4, the Company may use its powers under the power of attorney in the Deed of Covenant or act as agent of the relevant the Member with full power and authority to agree the terms of the engagement letter with the Expert for and on behalf of the Member.



- 60.6 Subject and without prejudice to Article 60.4, the Company and the Member shall sign the engagement letter as agreed with the Expert within two Business Days after its agreement (whether pursuant to Article 60.4 and/or 60.5).
- 60.7 The authorities given pursuant to Articles 60.5 and 60.6 shall be irrevocable and are given by way of security for the performance of the obligations of the Member under Articles 60.4 and 60.6.
- 60.8 In determining the Market Value of the Sale Shares, the Expert shall act as an expert (not as an arbitrator) and its written determination shall be conclusive and binding on the Company and the Member concerned (except in the case of fraud or manifest error).
- 60.9 The costs and expenses of the Expert shall be paid by the Member (who shall be liable for such costs and expenses on a joint and several basis) if the Market Value of the Sale Shares as determined by the Expert is 110 per cent or less of the highest price (if any) proposed by the Board as the Market Value of the Sale Shares before the Expert was instructed. Otherwise, they shall be paid by the Company.
- 60.10 If any Expert becomes unwilling or incapable of acting, then a replacement Valuer shall be appointed and Articles 60.3 to 60.9 shall apply to the replacement Expert as if it was the first Expert appointed and as if references to the date of service of the Transfer Notice in the definition of Expert and in such Articles were to the date on which the first Transfer Notice is served.

## **61. EXIT PROVISIONS**

- 61.1 On a Realisation the Realisation Value will be distributed as follows:
- 61.1.1 if the Realisation Value is equal to or less than the D Ordinary Minimum Proceeds the whole of the proceeds shall be paid to the holders of the D Ordinary Shares pro rata to the number of D Ordinary Shares held by them; or
- 61.1.2 if the Realisation Value is more than the D Ordinary Minimum Proceeds but equal to or less than the D Ordinary Threshold:
- (a) the D Ordinary Minimum Proceeds shall be paid to the holders of the D Ordinary Shares pro rata to their holdings of such class; and
  - (b) the balance of the proceeds shall be distributed to the holders of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata as if the Shares constituted one and the same class; or
- 61.1.3 if the Realisation Value is more than the D Ordinary Threshold but less than or equal to the First Threshold the proceeds shall be distributed to the holders of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares pro rata as if the Shares constituted one and the same class; or
- 61.1.4 if the Realisation Value is more than or equal to the First Threshold but less than the Second Threshold the proceeds shall be distributed as follows:
- (a) firstly, the Realisation Value up to the First Threshold shall be distributed in accordance with article 61.1.3;
  - (b) secondly, the holders of the D Ordinary Shares shall be entitled to the First Threshold Percentage pro rata between them according to the number of D Ordinary Shares held by each of them;
  - (c) thirdly, the balance of the proceeds shall be distributed to the holders of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata according to the number of A Ordinary Shares, B Ordinary Shares and C

Ordinary Shares held by each of them as if they constituted one class of share; or

61.1.5 if the Realisation Value is more than or equal to the Second Threshold but less than the Third Threshold the proceeds shall be distributed as follows:

- (a) firstly, the Members will be entitled to the proceeds calculated in accordance with article 61.1.4;
- (b) secondly, the holders of the D Ordinary Shares shall be entitled to the Second Threshold Percentage pro rata between them according to the number of D Ordinary Shares held by each of them;
- (c) thirdly, the balance of the proceeds shall be distributed to the holders of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata according to the number of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares held by each of them as if they constituted one class of share; or

61.1.6 if the Realisation Value is more than or equal to the Third Threshold proceeds shall be distributed as follows:

- (a) firstly, the Members will be entitled to the proceeds calculated in accordance with article 61.1.5;
- (b) secondly, the holders of the D Ordinary Shares shall be entitled to the Third Threshold Percentage pro rata between them according to the number of D Ordinary Shares held by each of them;
- (c) thirdly, the balance of the proceeds shall be distributed to the holders of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares pro rata according to the number of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares held by each of them as if they constituted one class of share;

61.2 Any return on a particular class of Shares will be made amongst their holders pro rata as near as possible to their holdings of Shares of that class.

## **62. RETURN OF CAPITAL**

62.1 On a return of capital whether on a liquidation, capital reduction or otherwise (but excluding a purchase of own shares), any surplus assets of the Company remaining after the payment of its liabilities shall be applied in accordance with article 61.

62.2 Where the surplus assets available for distribution to any particular class of share in accordance with article 62.1 is less than the total amount to be distributed to that class in that article, the available assets shall be distributed amongst the holders of Shares of that class pro rata according to the number of Shares of the relevant class held by each of them respectively.