



COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ASHFIELD SOLUTIONS GROUP LIMITED
(Adopted by special resolution passed on 24th May 2021)

IT IS AGREED AS FOLLOWS:

1. Interpretation

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

A Ordinary Shares	means the A ordinary shares of £0.10 each in the capital of the Company;
Act	means the Companies Act 2006;
Articles	means the Company's articles of association for the time being in force;
AJK	means Ashfield Japanese Knotweed Limited a company incorporated in England and Wales under company number 9407080;
B Ordinary Shares	means the B ordinary shares of £0.10 each in the capital of the Company;
B Ordinary Shareholder	means a shareholder holding B Ordinary Shares;
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;
C Ordinary Shares	means the C ordinary shares of £0.10 each in the capital of the Company;
C Ordinary Shareholder	means a shareholder holding C Ordinary Shares;
Conflict	has the meaning given in article 8.1;

Consultancy Agreement	means the consultancy agreement proposed to be entered into between Sykes Environmental LLP and the Company on the date of the adoption of these articles;
Cross Option Agreement	means the cross option agreement entered into between any of the shareholders at any time;
E Ordinary Shares	means the E ordinary shares of £0.10 each in the capital of the Company;
E Ordinary Shareholder	means a shareholder holding E Ordinary Shares;
Expert	has the meaning under given in article 16;
Fair Value	means in relation to shares, as determined in accordance with article 16;
Incapacity	shall have the meaning assigned to it pursuant to the Cross Option Agreement;
Interested Director	has the meaning given in article 8.1;
Holding Company	has the meaning given in article 1.6
Loan Agreement	means the loan agreement to be entered into between Ashfield Solutions Limited, Richard Newis and Ashfield Japanese Knotweed Limited at the date hereof;
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles;
Ordinary Shares	means the ordinary shares of £0.10 each in the capital of the Company;
Ordinary Shareholder	means any shareholder holding ordinary shares;
Original Directors	means Andrew Pullman, and Christopher Marshall;

Original Shareholder	means a shareholder who transfers its shares to a Permitted Transferee in accordance with article 13.4;
Permitted Group	means in relation to a company (wherever incorporated), any wholly owned Subsidiary of that company, any company of which it is a Subsidiary (its holding company) and any other Subsidiaries of any such holding company; and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to any company at any time will apply to the company as it is at that time;
Permitted Transferee	means in relation to a shareholder that is a company, any member of the same Permitted Group as that company;
Shareholders Agreement	means the shareholder agreement to be entered into on the date hereof between (1) Andrew Pullman, (2) Richard Newis, (3) Christopher Marshall, (4) Stephen Michael Sykes, (5) Oliver Baldock, (6) Aaron Jones and (7) the Company;
Subsidiary	has the meaning given in article 1.6
Transfer Notice	means an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares. Where such notice is deemed to have been served it shall be referred to as a Deemed Transfer Notice ;
Writing or written	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, save that, for the purposes of article 13, article 14, article 15, article 16, article 17 and article 18, "writing" or "written" shall not include

the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
 - 1.6.1 another person (or its nominee), by way of security or in connection with the taking of security; or
 - 1.6.2 its nominee.

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

- 1.7 Save as expressly provided otherwise in these Articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

2. Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.
- 2.3 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.4 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

3. Directors' meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 Unless the Board agree otherwise, the parties intend that meetings of the Board shall take place at least six times each year, on dates to be agreed by the Board.

3.4 All decisions made at any meeting of the directors shall be made only by resolution and resolutions at any meeting of the directors shall be decided by a majority of votes.

3.5 If at any time at or before any meeting of the directors all or at least two Directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

4. Number of directors

The minimum number of directors shall be three and there shall be no maximum. No shareholding qualification for directors shall be required.

5. Calling a directors' meeting

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

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

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

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

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

6. Quorum for directors' meetings

6.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, one of which shall be an Original Director. No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant

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

7. Chairing of directors' meetings and casting vote

- 7.1 The chairman shall not have a casting vote. If the chairman for the time being is unable to attend any meeting of the Board, then the directors present at the meeting shall be entitled to appoint another director to act as chairman at the meeting.
- 7.2 In the event of an equality of votes at Board meetings, the casting vote shall be rotated between Andrew Pullman, Christopher Marshall and Stephen Sykes, so that at each meeting one of these Directors shall hold the casting vote. The above listed Directors will hold the casting vote in turn rotating on an alphabetical basis with Andrew Pullman being the first director to hold the casting vote and Stephen Sykes being the last. For the avoidance of doubt such arrangement shall continue every year until agreed otherwise in writing by all the Directors.

8. Directors' interests

- 8.1 The shareholders may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (the **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 8.2 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
 - 8.2.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.2.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 8.2.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the

directors in relation to any resolution related to the Conflict;

- 8.2.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 8.2.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 8.2.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.3 Where the shareholders authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict.
- 8.4 The shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 8.5 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 8.1 shall be necessary in respect of any such interest.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

- 8.7 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.8 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 8.7.
- 8.9 Subject, where applicable, to any terms and conditions imposed by the shareholders in accordance with article 8.2, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 8.9.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - 8.9.2 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - 8.9.3 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
 - 8.9.4 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 8.9.5 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.

9. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

SHARES

10. Share capital

10.1 The Ordinary Shares, A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and E Ordinary Shares shall not rank *pari passu*. The Ordinary Shares shall have full voting, dividend and capital rights and the A Ordinary Shares and C Ordinary Shares shall only have capital rights in which they shall rank equally with the Ordinary Shares and voting rights only to the extent required to comply with Article 10.3. The B Ordinary Shares shall only have dividend rights, and the E Ordinary Shares shall only have full capital and voting rights.

10.2 On the transfer of any share as permitted by these Articles:

10.2.1 a share transferred to a non-shareholder shall remain of the same class as before the transfer; and

10.2.2 a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder.

If no shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, shareholders of that class or directors appointed by that class.

10.3 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the

relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

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

10.4.1 any alteration in the Articles;

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

10.4.3 any resolution to put the Company into liquidation;

10.4.4 any change to the rights apply to a return of capital.

11. Unissued shares

11.1 No shares in the Company shall be allotted nor any right to subscribe for or to convert any security into any shares in the Company shall be granted unless within one month before that allotment or grant (as the case may be) the shareholders holding not less than 75% of the issued share capital of the Company have consented in writing to that allotment or grant and its terms and to the identity of the proposed allottee or grantee.

11.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.

11.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) where the consent to that allotment of every shareholder has been obtained as required by these Articles and that allotment otherwise conforms to the requirements of these Articles.

12. Further issues of shares: authority

12.1 Subject to article 11 and the remaining provisions of this article 12, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

- 12.1.1 offer or allot;
- 12.1.2 grant rights to subscribe for or to convert any security into;
or
- 12.1.3 otherwise deal in, or dispose of,

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

12.2 The authority referred to in article 12.1:

- 12.2.1 shall be limited to a maximum nominal amount of £200 or such other amount as may from time to time be authorised by the Company by ordinary resolution;
- 12.2.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
- 12.2.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

13. Share transfers

- 13.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 13.2 No share shall be transferred unless the transfer is made in accordance with these Articles or the Cross Option Agreement.
- 13.3 Subject to the written approval of 75% of the shareholders of the Company, an Ordinary Shareholder or any B Ordinary Shareholder may at any time transfer all or some of his/her Ordinary Shares or B Ordinary Shares in the Company without the giving of a Transfer Notice or complying with the pre-emption procedure set out in this Article 13 where the following is demonstrated to the reasonable satisfaction of the Board;

- 13.3.1 the transfer is by an individual member to a Privileged Relation of such member;
- 13.3.2 the transfer is by an individual member to the trustee or trustees of a family trust set up wholly for the benefit of one or more Privileged Relations (**Family Trust**);
- 13.3.3 the trustees of a Family Trust may, on change of trustees, transfer shares held by them in their capacity as trustees to the new trustees of that Family Trust;
- 13.3.4 the trustees of a Family Trust may also transfer any of the shares held by them in that capacity to a Privileged Relation of the settlor of the Family Trust or back to the settlor of the Family Trust; or
- 13.3.5 by a member being a body corporate to any other body corporate which is for the time being its Subsidiary or holding company or another Subsidiary of its Holding Company.

For the purpose of these Articles **Privileged Relation** means, as regards any individual member the spouse or the parents of the individual and all lineal descendants of the individual and for such purposes a stepchild or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person.

13.4 If following any transfer of shares permitted pursuant to Article 13.3:-

- 13.4.1 any person to whom shares are transferred as a Privileged Relation ceases to be a Privileged Relation of the relevant member (including but not limited to the death of a Privileged Relation); or
- 13.4.2 any of the shares transferred to a Family Trust come to be held otherwise than upon a Family Trust related to the relevant member (and are not held by any Privileged Relation of the relevant Member);
- 13.4.3 any of the shares transferred to a Subsidiary or a Holding Company (in accordance with article 13.3.5) ceases to be a Subsidiary or a Holding Company of the member);

then within one month of the Board becoming aware that such event has occurred the directors shall be entitled to determine that the former Privileged Relation or Family Trust or the relevant Holding Company or Subsidiary shall be

deemed to have given a Transfer Notice in respect of the relevant shares.

For the avoidance of doubt in the event that any of the Original Directors transfers any of his Ordinary Shares in accordance with article 13.3 and such Original Director dies or becomes Incapacitated then the member to whom the Ordinary Shares were transferred in accordance with article 13.3 must abide by the terms of the Cross Option Agreement with respect to the transfer of such shares.

13.5 Subject to Article 13.2 and except as permitted by these Articles or with the prior written consent of 75% of the shareholders:

13.5.1 A shareholder wishing to transfer shares **(the Seller)** must give notice in writing **(Transfer Notice)** to the Company and the other parties **(the Ongoing Shareholders)** specifying the details of the proposed transfer including the identity of the proposed buyer(s) and price for the shares.

13.5.2 Subject to the provisions of the Act the Company shall have the first right to purchase the shares set out in the Transfer Notice at the price specified or the Fair Value (as set by the Expert in accordance with Article 16) if it does not agree with the specified price. The Company shall be required to give notice of its intention to purchase the said shares within 14 Business Days of receiving the Transfer Notice. If the Company does not give notice during this period Article 13.5.3 will apply.

13.5.3 Provided that the Company has not served notice under Article 13.5.2, within 28 Business Days of receiving the Transfer Notice, the Ongoing Shareholders may give notice saying they wish:

13.5.3.1 to purchase the shares in the Transfer Notice which the number of shares held by him bears to the total number of shares held by the Ongoing Shareholders, at the price specified; or

13.5.3.2 to purchase the shares in the Transfer Notice which the number of shares held by him bears to the total number of shares held by the Ongoing Shareholders, but that the price specified is too high.

13.5.4 If the Ongoing Shareholders wish to purchase the Seller's shares but consider the price specified to be too high, the

parties will endeavour to agree a price. If the parties fail to reach agreement within 30 Business Days of the Transfer Notice then the Expert will determine the Fair Value of the shares in accordance with Article 16, the Expert's determination shall be final and binding on the shareholders (in the absence of fraud or manifest error).

- 13.5.5 Completion of the of the shares comprised in the Transfer Notice at the Fair Value or price specified and agreed pursuant to Article 13.5.4 (as the case may be) will take place immediately upon agreement or deemed agreement of the price payable.
- 13.5.6 If the Company fails to give notice under 13.5.2 and the Ongoing Shareholders fail to give notice under Article 13.5.3, then the Seller is entitled for a period of up to three months to transfer his shares to the third party buyer identified in the Transfer Notice at a price not less than the price specified in the Transfer Notice (or the Fair Value, if lower).
- 13.6 Any transfer of shares by way of a sale that is required to be made under article 13, article 14 or article 17 and article 18 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.
- 13.7 Subject to article 13.8, the directors shall forthwith register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 13.8 The directors may, as a condition to the registration of any transfer of shares in the Company (whether in relation to a Permitted Transfer or otherwise) require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 13.8, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 13.9 To enable the directors to determine whether or not there has been a disposal of shares in the capital of the Company (or any interest in

shares in the capital of the Company) in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction.

14. Obligatory transfers

14.1 Subject to article 15.8, if anything mentioned in this Article happens to a party it is an Obligatory Transfer Event in respect of that party and the provisions of article 15 apply:

14.1.1 the passing of a resolution for the liquidation of the party other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the party's Group in which a new company assumes (and is capable of assuming) all the obligations of the party, provided that such reconstruction or amalgamation does not result in a transfer of the party's shares in the Company to any person other than a company in the party's Group; or

14.1.2 the presentation at court by any competent person of a petition for the winding up of the party and which has not been withdrawn or dismissed within seven days of such presentation; or

14.1.3 a change in control (as 'control' is defined in section 1124 of the Tax Act 2010) of the party; or

14.1.4 the issue at court by any competent person of a notice of intention to appoint an administrator to the party, a notice of appointment of an administrator to the party or an application for an administration order in respect of the party; or

14.1.5 any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the party; or

14.1.6 the shareholder or any other company in the party's Group being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or

14.1.7 the shareholder or any other company in the party's Group entering into a composition or arrangement with its creditors; or

14.1.8 the party commits a material or persistent breach of this agreement which if capable of remedy has not been so remedied within 20 Business Days of the other party requiring such remedy; or

14.1.9 a shareholder who is an individual:

14.1.9.1 becoming bankrupt;

14.1.9.2 dying;

14.1.9.3 being declared of unsound mind under the Mental Health Act; or

14.1.9.4 the party committing a criminal offence (other than minor road traffic offence) which has a detrimental impact on the reputation of the Company or any of its Subsidiaries.

14.1.10a shareholder who is or was a director, employee or consultant of the Company, Holding Company or any Subsidiary, ceases to hold such office, employment or consultancy, unless otherwise agreed by at least 75% of the shareholders.

14.1.11 with respect to Mr Stephen Sykes the following shall be deemed to be an obligatory transfer event:

14.1.11.1 he breaches the terms he has agreed in writing with the other shareholders with respect to his involvement in a business competing with the business of the Company or one which could deem to have a detrimental impact on the Company.

14.1.12 with respect to Mr Richard Newis the following shall be deemed to be an obligatory transfer event:

14.1.12.1 he materially breaches the terms of the Shareholders Agreement; and/or

14.1.12.2 AJK materially breaches the terms of the Loan Agreement.

14.1.13 with respect to any C Ordinary Shareholder the following shall be deemed to be an obligatory transfer event:

14.1.13.1 he/she materially or persistently breaches the terms of any service agreement, shareholder agreement or any other agreement entered into from time to time with

the other shareholders, Company, Holding Company or any Subsidiary.

14.1.14 with respect to an E Ordinary Shareholder the following shall be deemed to be an obligatory transfer event:

14.1.14.1 he/she materially or persistently breaches the terms of any service agreement, shareholder agreement or any other agreement entered into from time to time with the other shareholders, Company, Holding Company or any Subsidiary;

14.1.14.2 he/she does any act or omission which may bring the reputation of the Company into disrepute.

15. Transfer following obligatory transfer event

15.1 Subject to article 15.8, upon the happening of any Obligatory Transfer Event, the Shareholder in question (or his personal representatives or trustee in bankruptcy where applicable) and any other member who has acquired shares from him under a permitted transfer pursuant to article 13.4 (directly or by means of a series of two or more permitted transfers) shall be deemed to have immediately given a Transfer Notice in respect of all the shares then held by them or, in the case of any transferee of shares who is not the immediate subject of the Obligatory Transfer Event, in respect of those shares received directly or indirectly from the member who is the immediate subject of the Obligatory Transfer Event (a **Deemed Transfer Notice**). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares except for shares which have then been validly transferred pursuant to that Transfer Notice.

15.2 Notwithstanding any other provision of this agreement, any Shareholder holding shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those shares between the date of the relevant Deemed Transfer Notice and the expiry of 3 months after the date of the Deemed Transfer Notice given in respect of those shares or, if earlier, the entry in the register of shareholders of the Company of another person as the holder of those shares.

15.3 The shares which are the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 13 of the Articles as if they were shares in respect of which a Transfer Notice had been given save that:

15.3.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Obligatory Transfer Event;

15.3.2 subject to Article 15.4, the sale price shall be a price per share agreed between the Seller, and the Ongoing Shareholders or, in default of agreement, within 21 days after the date of the Transfer Event, the Fair Value determined in accordance with Article 16;

15.3.3 the Seller may retain any sale shares for which purchasers are not found; and

15.3.4 the shares shall be sold together with all rights attaching thereto as at the date of the Obligatory Transfer Event.

15.4 The sale price for any shares which are the subject of a Deemed Transfer Notice shall be agreed between the Seller and the Ongoing Shareholders, and if not agreed within 10 days of the parties discussing the sale price it shall:

15.4.1 in the case of a Good Leaver (as defined in Article 15.5.1) be their Fair Value (determined in accordance with Article 16);

15.4.2 in the case of a Bad Leaver (as defined in Article 15.5.2) being Richard Newis, be the total sum of £6,206 for the entire shares in question;

15.4.3 in the case of a Bad Leaver (as defined in Article 15.5.2) being a C Ordinary Shareholder or an E Ordinary Shareholder, be the total sum of 50% of the Fair Value (determined in accordance with Article 16) for the entire shares in question, for these purposes the valuation shall be carried out by reference to the date on which the Obligatory Transfer Event occurred.

15.5 In Article 15.4:

15.5.1 **Good Leaver** refers to any person other than a Bad Leaver;

15.5.2 **Bad Leaver** shall be deemed to apply to:-

15.5.2.1 Mr Richard Newis in the event of a material breach of the terms of the Shareholder Agreement or Loan Agreement or in the event that Mr Richard Newis becomes employed, engaged, concerned or interested in any business which would be in competition with any part of the business of the Company or any

of its Subsidiaries (specifically excluding AJK for the avoidance of doubt); and

15.5.2.2 a C Ordinary Shareholder in the event of a material breach of the terms of the Shareholder Agreement or if he resigns from employment with the Company, Holding Company or any Subsidiary or is dismissed from employment with the Company, any Holding Company or any Subsidiary by reason of misconduct and/or capability.

15.5.2.3 any E Ordinary Shareholder in the event of a material or persistent breach of the terms of the Shareholder Agreement, or if he does any act or omission which may bring the reputation of the Company into disrepute, or is dismissed from employment with the Company or any member of its Group by reason of misconduct and/or capability, or if he is the subject of a bankruptcy petition, application or order.

15.6 If the Seller fails to complete the transfer of shares as required under this article, the Company:

15.6.1 is irrevocably authorised to appoint any person as agent to transfer the shares on the Seller's behalf and to do anything else that the Buyer may reasonably require to complete the sale; and

15.6.2 may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the Buyer.

15.7 The Expert shall be requested to determine the Fair Value of the sale shares within 14 Business Days of his appointment and to notify the Buyer and Seller in writing of his determination.

15.8 Notwithstanding any other provisions of these Articles, in the event of the death or Incapacity of Christopher Marshall or Andrew Pullman, the shareholding of the deceased or the Incapacitated Christopher Marshall or Andrew Pullman (or in the event that Christopher Marshall or Andrew Pullman transferred any of his shares under the terms of Article 13.3, then the shares held by such member) shall be transferred in accordance with the terms of the Cross Option Agreement (provided that such agreement is in

place at the date of death or Incapacity of Christopher Marshall or Andrew Pullman).

16. Expert

16.1 An Expert is a person appointed in accordance with this Article.

16.2 The shareholders shall endeavour to agree on the appointment of an independent Expert when required under these Articles.

16.3 If the shareholders are unable to agree on an Expert within seven days of either party serving details of a suggested expert on the other, either party shall then be entitled to request the President for the time being of the Institute of Chartered Accountants in England and Wales to appoint an Expert who is an accountant of repute with experience in the valuation of private companies limited by shares or an administrator is appointed or documents are filed with the court for the appointment of an administrator or notice of intention to appoint an administrator is given by the party or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986).

16.4 In these Articles the Fair Value of the shares to be sold in the Company shall be the value that the Expert certifies to be the market value in his opinion based on the following assumptions:

16.4.1 the value of the shares in question is that proportion of the market value of the entire issued share capital of the Company that the Seller's shares bear to the then total issued share capital of the Company (with no premium or discount for the size of the Seller's shareholding or for the rights or restrictions applying to the shares);

16.4.2 the sale is between a willing buyer and a willing seller on the open market;

16.4.3 if the Company and its Subsidiaries is then carrying on its business as a going concern, on the assumption that it shall continue to do so;

16.4.4 the shares are sold free of all encumbrances; and

16.4.5 to take account of any other factors that the Expert reasonably believes should be taken into account.

If any problem arises in applying any of the assumptions set out in this article 16, the Expert shall resolve the problem in whatever manner he shall, in his absolute discretion, think fit.

- 16.5 The Expert shall be requested to determine the Fair Value within 14 Business Days of his appointment and to notify the shareholders in writing of his determination.
- 16.6 Subject to any confidentiality provisions, the Expert may have access to all accounting records and other relevant documents of the Company.
- 16.7 The Expert's determination shall be final and binding on the shareholders (in the absence of fraud or manifest error).
- 16.8 The Expert shall act as an expert and not as an arbitrator. The Expert's written decision on the matters referred to him shall be final and binding in the absence of manifest error or fraud.
- 16.9 The Expert's fees and any costs properly incurred by him in arriving at his determination (including any fees and costs of any advisers appointed by the Expert) shall be borne by the Company or in such proportions as the Expert shall direct.

17. Tag along

- 17.1 After first giving a Transfer Notice to the Continuing Shareholders and going through the procedure set out in article 13, the provisions of article 17.2 to article 17.6 shall apply if the holders of 35% or more of the issued share capital of the Company (**Seller**) proposes to transfer in one or a series of related transactions their shares to a bona fide arm's length purchaser (**Buyer**) (**Proposed Transfer**).
- 17.2 Before making a Proposed Transfer, the Seller shall procure that the Buyer makes an offer (**Offer**) to the remaining shareholders for the purchase all of their shares for a consideration in cash per share that is at least equal to the price per share offered by the Buyer in the Proposed Transfer (**Specified Price**).
- 17.3 The Offer shall be given by written notice (**Offer Notice**), at least 14 Business Days (**Offer Period**) before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
 - 17.3.1 the identity of the Buyer;

- 17.3.2 the purchase price and other terms and conditions of payment;
 - 17.3.3 the Transfer Date; and
 - 17.3.4 the number of shares proposed to be purchased by the Buyer (**Offer Shares**).
- 17.4 If the Buyer fails to make the Offer in accordance with article 17.2 and article 17.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of shares effected in accordance with the Proposed Transfer.
- 17.5 If the Offer is accepted by the remaining shareholder in writing within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by such shareholder.
- 17.6 The Proposed Transfer is subject to the rights of pre-emption set out in article 13, but the purchase of the Offer Shares shall not be subject to those provisions.

18. Drag along

- 18.1 After first giving a Transfer Notice to the Continuing Shareholder and going through the procedure set out in article 13, if the shareholders holding not less than 51% of the nominal value of the shares wish to sell their shares to a bona fide arm's length purchaser (**Proposed Buyer**), the Seller may require the remaining shareholders (**Called Shareholder**) to sell and transfer all of their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (**Drag Along Option**), subject that the value at which the shares are being transferred is not less than the Fair Value of the Shares.
- 18.2 The Seller may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholder (**Drag Along Notice**) at any time before the transfer of the shares to the Proposed Buyer. The Drag Along Notice shall specify:
 - 18.2.1 that the Called Shareholder is required to transfer all of its Called Shares pursuant to this article 18;
 - 18.2.2 the person to whom the Called Shares are to be transferred;

- 18.2.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the seller's Shares; and
 - 18.2.4 the proposed date of the transfer.
- 18.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Seller has not sold the shares to the Proposed Buyer within 21 Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 18.4 No Drag Along Notice shall require the Called Shareholder to agree to any terms except those specifically set out in this article 18.
- 18.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the shares unless the Seller and the Called Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by them.
- 18.6 The proposed sale of the shares by the Seller to the Proposed Buyer is subject to the rights of pre-emption set out in article 13, but the sale of the Called Shares by the Called Shareholder shall not be subject to those provisions.
- 18.7 Within 14 Business Days of the Seller serving a Drag Along Notice on the Called Shareholder, the Called Shareholder shall deliver a stock transfer form for the Called Shares, together with the relevant share certificate (or a suitable indemnity for any lost share certificate) to the Company. On the expiration of that 14 Business Day period, the Company shall pay the Called Shareholder, on behalf of the Proposed Buyer, the amounts due pursuant to article 18.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder in trust for the Called Shareholder without any obligation to pay interest.
- 18.8 To the extent that the Proposed Buyer has not, on the expiration of the 14 Business Day period referred to in article 18.7, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholder shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity)

for the relevant Called Shares and the Called Shareholder shall have no further rights or obligations under this article 18 in respect of its Shares.

- 18.9 If the Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article 18.9.

DECISION MAKING BY SHAREHOLDERS

19. Quorum for general meetings

- 19.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two shareholders present in person one of which shall be an Original Shareholder.
- 19.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

20. Chairing general meetings

The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholders shall be entitled to appoint another shareholder present at the meeting to act as chairman at the meeting.

21. Voting

At a general meeting, on a show of hands every Ordinary Shareholder and E Ordinary Shareholder who is present in person shall have one vote, unless the proxy is himself an Ordinary Shareholder or an E Ordinary Shareholder entitled to vote; on a poll every Ordinary Shareholder and E Ordinary Shareholder present in person shall have one vote for each Ordinary Share or E Ordinary Share of which he is the holder; and on a vote on a written

resolution every Ordinary Shareholder and E Ordinary Shareholder has one vote for each Ordinary Share of which he is the holder.

22. Poll votes

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

22.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

23. Means of communication to be used

23.1 Subject to article 23.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

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

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

23.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

23.1.4 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.

- 23.2 Any notice, document or other information served on, or delivered to, an intended recipient under article 13, article 14, article 15, article 16, article 17 or article 18 (as the case may be) may not be served or delivered in electronic form (other than by fax), or by means of a website.
- 23.3 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

24. Indemnity and insurance

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

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

- 24.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

- 24.1.1.2 in relation to the Company's activities as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

- 24.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 24.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

- 24.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 24.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 24.4 In this article:
- 24.4.1 a "relevant officer " means any director or other officer or former director or other officer of the Company but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
 - 24.4.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.