

Company number: 09928450

**PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
of
PM SPORTS MANAGEMENT LTD ("Company")**

10 March 2020

The following resolutions were passed in writing pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (CA 2006) as ordinary and special resolutions on the date set out above.

ORDINARY RESOLUTIONS

1) Subdivision

That each A Ordinary Shares of £0.01 each in the capital of the Company be subdivided into 10 A Ordinary Shares of £0.001 and each B Ordinary Shares of £0.01 in the share capital of the Company be subdivided into 10 B Ordinary Shares of £0.001 each in the capital of the Company, each such share having the rights and restrictions set out in the New Articles (as defined below).

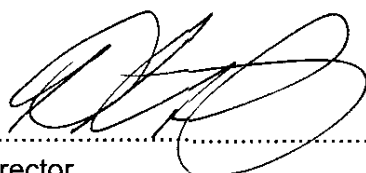
2) Redesignation

That 152 of the A Ordinary Shares of £0.001 each in the Company be and are hereby redesignated as 152 C Ordinary Shares of £0.001 with the rights and obligations of those shares being laid down in the New Articles (as defined below).

SPECIAL RESOLUTION

1) Adoption of Articles of Association

That the Company adopt new articles of association as are attached to this resolution ("**New Articles**") and which are by this resolution adopted as the new articles of association in substitution for and to the complete exclusion of the existing articles of association of the Company.


.....
Director

Date 10 March 2020



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COMPANIES HOUSE

Company number: 09928450

Companies Act 2006

Private company limited by shares

**Articles of association of
PM Sports Management Limited**

Adopted by special resolution dated 10 March 2020

PM

Companies Act 2006

Private company limited by shares

Articles of association of PM Sports Management Ltd

Part 1: Interpretation and model articles

1 Interpretation

1.1 In these articles, unless the context requires otherwise:

- (a) **2006 Act** means the Companies Act 2006;
- (b) **A shares** means the A ordinary shares of £0.001 each in the capital of the Company;
- (c) **acting in concert** has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended);
- (d) **these articles** means these articles of association as from time to time amended;
- (e) **B shares** means the B ordinary shares of £0.001 each in the capital of the Company;
- (f) **C shares** means the C ordinary shares of £0.001 each in the capital of the Company;
- (g) **Company** means the above named company intended to be regulated by these articles;
- (h) **conflict authority** has the meaning given in article 12.1;
- (i) **Consultancy Agreement** means the consultancy agreement between the Company and WMG dated on or around the date of adoption of these articles;
- (j) **controlling interest** means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
- (k) **directors** means some or all of the Company's eligible directors for the time being when they take decisions in accordance with these articles;
- (l) **EBITDA** means in any financial year of the Company, its earnings before interest, depreciation, taxes and amortisation, for the avoidance of doubt, after deduction of any fees paid by the Company to WMG in respect of corporate or administrative services or payments to WMG in respect of revenues from Intermediary Activities under the Consultancy Agreement;

- (m) **eligible director** means, in relation to a particular matter, a director who is entitled to vote on that matter at a directors' meeting and whose vote is to be counted in respect of that matter;
- (n) **family trusts** means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or privileged relations of that individual; and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons;
- (o) **group undertaking** has the meaning given in section 1161(5) of the 2006 Act;
- (p) **Intermediary Activities** has the meaning given in the Consultancy Agreement;
- (q) **a member of the same group** means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of that company or a subsidiary undertaking of any such parent undertaking;
- (r) **model articles** means the model articles for private companies limited by shares prescribed by Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as in force on the date of incorporation of the Company;
- (s) **Operating Cash Flow** means EBITDA;
 - (i) plus the amount of any PM Payments during the course of the relevant financial year; and
 - (ii) less (a) those capital expenditures incurred during the relevant financial year solely on computer and office equipment for the Company's principal place of business, and (b) any income derived from investments made by the Company whether paid as interest or otherwise after deducting any tax payable thereon;
- (t) **permitted transferee** means:
 - (i) in relation to a shareholder who is an individual, any of his privileged relations or trustees;

- (ii) in relation to a shareholder which is an undertaking (as defined in section 1161(1) of the 2006 Act) means any member of the same group;
 - (u) **person** includes any natural person, body corporate, partnership or unincorporated association, in each case whether or not having a separate legal personality;
 - (v) **PM** means Paul Martin, the holder of the A Shares at the date of adoption of these articles;
 - (w) **PM Payments** means (i) any personal expenses of PM or any person connected to him paid by the Company that do not relate to Intermediary Activities under the Consultancy Agreement, (ii) the value of any assets purchased by the Company for the personal benefit of PM or any person connected to him;
 - (x) **Preferred C Dividend** means the dividend payable pursuant to article 30.4;
 - (y) **privileged relation** in relation to a shareholder who is an individual member or deceased or former member means a spouse, civil partner or child (including step or adopted or illegitimate child);
 - (z) **public company model articles** means the model articles for public companies prescribed by schedule 3 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as in force on the date of incorporation of the Company;
 - (aa) **subsidiary, subsidiary undertaking and parent undertaking** have the respective meanings set out in sections 1159 and 1162 of the 2006 Act;
 - (bb) **trustees** in relation to a shareholder means the trustee or the trustees of a family trust;
 - (cc) **United Kingdom** means Great Britain and Northern Ireland;
 - (dd) **WMG** means WMG Management Europe Limited incorporated and registered in England and Wales with company number 03584251 whose registered office is at 71-91 7th Floor, Aldwych House, Aldwych, London, England, WC2B 4HN; and
 - (ee) **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.
- 1.2 In these articles, references to any statute or statutory provision include any modification or re-enactment of it for the time being in force. This does not affect the interpretation of the final sentence of paragraph 1 of the model articles.
- 1.3 In these articles:

- (a) a reference to an **article** by number is a reference to the provision of these articles of that number; and
- (b) a reference to a **conflict of interest** includes a conflict of interest and duty and a conflict of duties, and (in that context) **interest** includes both direct and indirect interests.

1.4 The headings in these articles do not affect the interpretation of them.

2 Adoption of model articles

- 2.1 The model articles apply to (and form part of) these articles, in so far as these articles do not exclude or modify the model articles.
- 2.2 The following paragraphs of the model articles do not apply to the Company: 7(2), 11(2), 14(1) to 14(5) (inclusive), 21 and 26(5).

Part 2: Directors

Directors' powers and responsibilities

3 Change of name

The Company may change its name by a decision of the directors.

4 Directors may delegate

In paragraph 5(1) of the model articles, the words "delegate any of the powers which are conferred on them under the articles" are deleted and replaced with the words "delegate any of their powers".

Decision-making by directors

5 Directors to take decisions collectively

- 5.1 If, and for so long as, the Company only has one director (see article 16):
 - (a) that director may exercise all the powers and discretions vested in the directors, and may take decisions without regard to any of the provisions of the model articles (as modified by these articles) relating to directors' decision-making; and
 - (b) any reference to a conflict authority, and any requirement for a declaration of interest by a director to the other directors, is to be disregarded.
- 5.2 A sole director's decision may (without limitation) take the form of a resolution in writing signed by the director, or to which he has otherwise indicated agreement in writing.

6 Unanimous decisions

- 6.1 In paragraph 8(2) of the model articles, the words "copies of which have been signed by each eligible director" are deleted and replaced with the words "where each eligible director has signed one or more copies of it".
- 6.2 In paragraph 8(3) of the model articles, the words "and whose vote would have been counted" are inserted after the words "had it been proposed as a resolution at a directors' meeting".

7 Calling a directors' meeting

Notice of a directors' meeting need not be given to a director who is absent from the United Kingdom and has not given the Company an address to which such notices may be given by electronic means during his absence.

8 Quorum for directors' meetings

- 8.1 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but (subject to article 8.2) it must never be less than two eligible directors, and unless otherwise fixed it is two eligible directors. For clarity, this does not apply for so long as there is a sole director (see article 5.1).
- 8.2 For the purpose of any directors' meeting (or part of a meeting) held in accordance with article 12.1 to authorise a director's conflict of interest, if only one eligible director is in office, the quorum is one eligible director.

9 No casting vote at directors' meetings

Paragraph 13 of the model articles is deleted and replaced with a new paragraph 13 as follows:

"If the numbers of votes for and against a proposal at a directors' meeting are equal, no person has a second or casting vote."

10 Participating and voting when director interested

Provided he has declared the nature and extent of the interest to the other directors when required to do so in accordance these articles, a director is to be counted as participating for quorum and voting purposes in any decision at a directors' meeting that is concerned with a matter in which he has, or may have, directly or indirectly, any kind of interest or duty. This is subject (where relevant) to the requirements of section 175(6) of the 2006 Act concerning conflicts of interest and to the terms of any applicable conflict authority.

Directors' interests and conflicts

11 Transactions or arrangements with the Company

Subject to the 2006 Act, and provided he has complied with any provision of the 2006 Act requiring a declaration of his interest to the other directors, a director may, despite his office,

be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company.

12 Directors' conflicts of interest

- 12.1 For the purposes of section 175 of the 2006 Act, the directors may authorise any matter proposed to them which would, or might, if not authorised, result in a director infringing his duty under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. Such an authorisation is referred to in these articles as a **conflict authority**.
- 12.2 A conflict authority may (subject to article 14) be given on such terms (including limits or conditions) as the directors decide. The director concerned must comply with any obligations imposed on him by such terms.
- 12.3 The directors may revoke or vary a conflict authority at any time, but this will not invalidate anything previously done by the director in accordance with the authority.

13 Ability to hold offices and enter into other transactions and arrangements

- 13.1 Provided he has declared the nature and extent of any direct or indirect interest of his to the other directors (other than a non-disclosable interest as set out in article 13.3), a director may, despite his office:
- (a) be a director or other officer of, or employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested;
 - (b) be a party to, or otherwise in interested in, whether directly or indirectly, any transaction or arrangement in which the Company is (directly or indirectly) interested (other than a transaction or arrangement with the Company); and
 - (c) be a party to any transaction or arrangement with any group undertaking of the Company or any other undertaking in which the Company is otherwise (directly or indirectly) interested.
- 13.2 No conflict authority is required in respect of any matter referred to in article 13.1, and a director does not infringe his duty under section 175 of the 2006 Act because of this.
- 13.3 The following are non-disclosable interests for the purposes of article 13.1:
- (a) any interest of a director which consists of him being a director, officer or employee of (or otherwise being engaged by) any group undertaking of the Company; and
 - (b) any interest of a director which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other directors are already aware of or ought reasonably to be aware of.

- 13.4 If a declaration of interest under article 13.1 proves to be, or becomes, inaccurate or incomplete, a further declaration must be made.

14 Confidential information and attendance at directors' meetings

If a matter is authorised pursuant to a conflict authority or is one to which article 13.1 applies:

- 14.1 the director will not be required to disclose to the Company, or use in relation to the Company's affairs, any information relating to the matter that is confidential to another person where to do so would amount to a breach of that confidence;
- 14.2 the director may absent himself from the discussion of, and/or the making of decisions relating to, the matter (whether at directors' meetings or otherwise), and may excuse himself from reviewing documents and information which will or may relate to the matter, for so long as he reasonably believes that an actual or potential conflict of interest arises out of the matter; and
- 14.3 the director may be excluded from the receipt of documents and information, the participation in discussion and/or the making of decisions (whether at directors' meetings or otherwise) which will or may relate to the matter.

15 Accounting for benefits when interested

If a director or any other person receives any benefit as a result of anything allowed under articles 11 or 13 or (subject to its terms) pursuant to a conflict authority:

- 15.1 the director is not required to account to the Company for the benefit;
- 15.2 no transaction or arrangement will be liable to be avoided on the ground of the benefit; and
- 15.3 the receipt of the benefit will not constitute a breach of the director's duty under section 176 of the 2006 Act.

Appointment of directors

16 Number of directors

The company need have only one director.

17 Termination of director's appointment

- 17.1 A person ceases to be a director as soon as the holder or holders of a majority in nominal value of the shares give notice in writing to the Company signed by them, or authenticated in any other manner approved by the directors, removing that person from office as a director. The notice may consist of several documents in similar form each signed or so authenticated by one or more shareholders. The removal takes effect when the notice is sent or supplied to the Company or any director, or on any later date specified in the notice.
- 17.2 Article 17.1 takes effect in addition to the circumstances in which a person ceases to be a director pursuant to paragraph 18 of the model articles.

18 Directors' expenses

In paragraph 20 of the model articles, the words "and the company secretary (if any)" are inserted after the words "the directors".

Part 3: Shares and distributions

Share capital

19 Share capital

- 19.1 At the date of the adoption of these articles, the share capital of the Company is divided into A shares, B shares and C shares. The A shares, the B shares and the C shares constitute separate classes of share.
- 19.2 In these articles, unless the context requires otherwise, references to shares of a particular class shall include shares created and/or issued after the date of adoption of these articles and ranking *pari passu* in all respects with the shares of the relevant class then in issue, except only as to the date from which those shares rank for dividend.
- 19.3 The A shares, the B shares and the C shares shall confer upon the holders full capital and voting rights and they shall rank *pari passu* in all respects, save as regards dividends. The rights of the A shares, the B shares and the C shares, as regards dividends, are set out at in article 30 below.
- 19.4 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.
- 19.5 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
- (a) any alteration in the articles;
 - (b) 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
 - (c) any resolution to put the Company into liquidation.

Issue and allotment of shares

20 Powers to issue different classes of shares

- 20.1 The following sentence is inserted at the end of paragraph 22(1) of the model articles:
"These rights and restrictions will apply to the shares as if they were stated in the articles."
- 20.2 The following sentence is inserted at the end of paragraph 22(2) of the model articles:
"These terms and conditions will apply to the shares as if they were stated in the articles."
- 20.3 The rights attached to any shares are not, unless otherwise expressly provided in the terms on which such shares are issued, deemed to be varied by the creation or issue of further shares ranking in some or all respects equally with them (but in no respect in priority to them) or by the purchase or redemption by the Company of any of its own shares.

Share certificates

21 Issue and content of share certificates

- 21.1 In paragraph 24(2)(c) of the model articles, the words "that the shares are fully paid" are deleted and replaced with the words "the amount paid up on them".
- 21.2 Paragraph 24(5) of the model articles is deleted and replaced with a new paragraph 24(5) as follows:

"Certificates must be executed in accordance with the 2006 Act."

22 Partly paid shares/lien

The provisions of paragraphs 52 to 62 (inclusive) of the public company model articles apply to the Company and form part of these articles as if the text of those provisions was set out in full in these articles together with relevant defined terms as set out in paragraph 1 of the public company model articles.

Transfer and transmission of shares

23 General prohibition

- 23.1 No share may be transferred to any person unless the transfer has been validly made in accordance with articles 24 or 25.
- 23.2 In these articles, references to the transfer of shares include the transfer, assignment or other disposal of any beneficial or other interest in shares, the grant of contractual rights or options over or in respect of shares, and the creation of a trust or encumbrance over shares, and references to shares include beneficial or other interests in shares.

24 Permitted transfers

- 24.1 A shareholder (the **original shareholder**) may transfer all or any of his or its shares to a permitted transferee without restriction as to price or otherwise.
- 24.2 Where under the provision of a deceased shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any shares, whether immediately or contingently, are permitted transferees of the deceased shareholder, the legal representative of the deceased shareholder may transfer any share to those permitted transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this article 24.2 may be transferred by the transferee to any other permitted transferee of the original shareholder without restriction as to price or otherwise.
- 24.3 If a permitted transferee who was a member of the same group as the original shareholder ceases to be a member of the same group as the original shareholder, the permitted transferee must not later than five business days after the date on which the permitted transferee so ceases, transfer the shares held by it to the original shareholder or a member of the same group as the original shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a transfer notice in respect of those shares.
- 24.4 Trustees may (i) transfer shares to a company in which they hold the whole of the share capital and which they control (a **qualifying company**) or (ii) transfer shares to the original shareholder or to another permitted transferee of the original shareholder or (iii) transfer shares to the new or remaining trustees upon a change of trustees without restrictions as to price or otherwise.
- 24.5 No transfer of shares may be made to trustees unless the directors are satisfied:
- (a) with the terms of the trust instrument and in particular with the powers of the trustees;
 - (b) with the identity of the proposed trustees;
 - (c) the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
 - (d) that no costs incurred in connection with the setting up or administration of the family trust in question are to be paid by the Company.
- 24.6 If a company to which a share has been transferred under article 24.5, ceases to be a qualifying company it must within five business days of so ceasing, transfer the shares held by it to the trustees or to a qualifying company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a transfer notice in respect of such shares.

- 24.7 If a permitted transferee who is a spouse or civil partner of the original shareholder ceases to be a spouse or civil partner of the original shareholder whether by reason of divorce or otherwise he must, within 15 business days of so ceasing either:
- (a) execute and deliver to the Company a transfer of the shares held by him to the original shareholder (or, to any permitted transferee of the original shareholder) for such consideration as may be agreed between them; or
 - (b) give a transfer notice to the Company in accordance with article 25,
- failing which he shall be deemed to have given a transfer notice.
- 24.8 On the death (subject to article 24.2), bankruptcy, liquidation, administrator or administrative receivership of a permitted transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five business days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the shares held by the permitted transferee without restriction as to price or otherwise. The transfer shall be to the original shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the original shareholder, to any permitted transferee of the original shareholder. If the transfer is not executed and delivered within five business days of such period or if the original shareholder has died or is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a transfer notice.

25 Voluntary share transfers: offer round procedure

25.1 *Transfer notice*

- (a) Before transferring any shares (**offered shares**), the shareholder who wishes to transfer them (**proposing transferor**) must give written notice of his intention (**transfer notice**) to the Company.
- (b) The transfer notice must specify:
 - (i) the number of offered shares;
 - (ii) the proposed price for the offered shares; and
 - (iii) whether any person has indicated a willingness to acquire the offered shares at that price (and, if so, the identity of such person).

25.2 *Effect of transfer notice*

- (a) A transfer notice constitutes the Company (acting by the directors) as the proposing transferor's agent for the sale of the offered shares on the terms of this article 25.
- (b) Any transfer of shares pursuant to this article 25 is to be on terms that the shares are transferred:
 - (i) free from all charges and encumbrances; and
 - (ii) with the benefit of all rights attaching to them.
- (c) As soon as practicable after the receipt of any transfer notice, the directors are to serve a copy of the transfer notice on all the shareholders other than the proposing transferor (**offerees**).
- (d) A transfer notice is not revocable without the written consent of the directors, unless, before the expiry of 7 days after the price has been fixed in accordance with these articles, the proposing transferor revokes it by notice in writing to the Company (in which case the Company must promptly notify the offerees). If a proposing transferor revokes a transfer notice, he may not subsequently transfer the shares the subject of the transfer notice (or any interest in them) otherwise than in accordance with these articles.

25.3 *Sale price*

- (a) The price of each of the offered shares (**sale price**) is to be such price as is agreed in writing between the proposing transferor and the directors or, in the absence of such agreement (whether by reason of disagreement, absence, death or otherwise) within 60 days after the date on which the transfer notice is given, such price as is assessed in accordance with article 25.8.
- (b) The sale price is to be conclusive and binding on all parties.

25.4 *Offers to buy*

- (a) Within a period of 14 days after the fixing of the sale price, the directors are to give notice in writing to the offerees inviting them to make a written offer (**offer**), to be delivered to the Company within 14 days after the date when such notice is given (**offer period**), stating the maximum number of offered shares he is willing to purchase at the sale price.
- (b) An offer constitutes an irrevocable offer to the proposing transferor to purchase some or all of the offered shares comprised in the directors' notice at the sale price.

25.5 *Sale and purchase*

- (a) After the expiration of the offer period, and providing that (if the transfer notice states that the proposing transferor is not willing to transfer some only

of the offered shares) offers to purchase the whole of the offered shares have been made, the directors are to proceed to divide the offered shares among the offerees who have made the offers (**buyers**).

- (b) In the case of competition, the division is to be made between each buyer as nearly as possible in proportion to the nominal value of the buyers' existing holdings of shares at the close of business on the date when the transfer notice was given, except that no buyer will be bound to accept more offered shares than the maximum number of offered shares notified by him to the directors in his offer.
- (c) Any number of offered shares not being capable of being divided equally is to be allocated among the buyers by resolution of the directors.

25.6 *Completion*

On the directors giving written notice of the division to the proposing transferor and the buyers, the proposing transferor is to transfer the offered shares to the buyers against payment of the sale price in cleared funds. The transfer is to be completed at the place and time specified by the directors in their notice, not being less than 3 working days nor more than 10 working days after the giving of the notice.

25.7 *Default by the proposing transferor*

If the proposing transferor fails to transfer any offered shares to a buyer by the due completion date:

- (a) the directors may authorise any director to execute, complete and deliver the necessary instrument of transfer in the name and on behalf of the proposing transferor;
- (b) the Company may receive the consideration for the relevant offered shares (to be held on trust for the proposing transferor, without interest); and
- (c) the receipt of the Company for the consideration is a good discharge to the buyer, and the buyer is not bound to see to the application of the consideration.

25.8 *Sale price in default of agreement*

- (a) In default of agreement under article 25.3(a), the directors are as soon as practicable to instruct an expert to determine the sale price as the fair value of the offered shares as at the date when the transfer notice was given (**fair value**).
- (b) The parties concerned must (subject to article 25.9) co-operate in agreeing any reasonable requirements of the expert (once appointed) as to the terms of his appointment or otherwise.
- (c) The expert is to determine the fair value as between a willing transferor and a willing buyer contracting on arm's length terms, having regard to the fair value

of the business of the Company and every subsidiary of it as a going concern but without taking into account (if it is the case) that the offered shares constitute a minority interest or will after their transfer confer a controlling interest on the transferee.

- (d) In determining the fair value, the expert is to assume that the offered shares are capable of being transferred without restriction.
- (e) The directors are to take all reasonable steps to procure that the expert determines the fair value within 56 days of being instructed to do so.
- (f) The expert (subject as above in this article 25.8) is to act as an expert and not as an arbitrator and his determination is to be final and binding on the shareholders (in the absence of fraud or manifest error).
- (g) The directors are to procure that the expert promptly sends to the proposing transferor and the offerees a copy of the expert's written determination of the fair value when given and of any documents accompanying it.
- (h) The expert's costs and expenses (including value added tax) are to be paid by the Company unless the proposing transferor revokes the transfer notice under article 25.2(d), in which case the costs and expenses are to be paid by the proposing transferor.
- (i) The expert is to be given access to all accounting records and other relevant documents of the Company and all such other facilities and information as he may reasonably require for the purposes of his determination, on a confidential basis where appropriate.

25.9 *Expert's terms of appointment*

- (a) If article 25.8(a) applies, the proposed terms of the expert's appointment are to be determined by the directors and supplied to the proposing transferor in writing for his agreement. The agreement of the proposing transferor must not be unreasonably withheld or delayed. The proposing transferor will be deemed to have given his agreement 10 working days after the directors have supplied the proposed terms in writing unless the proposing transferor expressly withholds his agreement within that time by notice to the Company in writing accompanied by reasonable particulars of the grounds of his objection.
- (b) Subject to article 25.9(a), the Company and the proposing transferor must on written request by the expert accept the expert's terms of appointment in writing. If the proposing transferor fails to do so within 15 working days after such request is made, the proposing transferor will, on the Company giving him notice in writing to that effect, be deemed to have revoked the transfer notice.

25.10 *Pre-emption rights not taken up*

If, in accordance with the foregoing, the shareholders have not by the expiration of the offer period stated their willingness to purchase the whole of the offered shares:

- (a) the directors may, within 21 days after the expiration of the offer period, give notice to the proposing transferor informing the proposing transferor that the Company will, subject to and in accordance with the provisions of Chapter 4 of Part 18 of the 2006 Act, as soon as practicable, purchase all the offered shares at the sale price, and such notice is to be binding on the Company and the proposing transferor, who are respectively to take all steps within their power for carrying such purchase into effect; and
- (b) if the directors do not give notice pursuant to article 25.9(a), the proposing transferor may, within 90 days after the expiration of the offer period, transfer all (but not part) of the offered shares to the person, if any, named in the transfer notice as transferee at a price not being less than the proposed price stated in the transfer notice.

25.11 *Resignation of directors*

- (a) On transferring the offered shares to a buyer in accordance with this article 25, the proposing transferor is to resign as a director of the Company or (as the case may be) procure that all directors appointed by him resign and, pending registration of the transfer, assist (if necessary) in procuring that directors nominated by the buyer are appointed in their place.
- (b) The proposing transferor is to indemnify the Company and the buyer against any claim for compensation for loss of office or otherwise arising out of any resignation procured pursuant to article 25.11(a).

25.12 *Interpretation*

In this article 25:

- (a) **expert** means the Company's accountants or auditors (as applicable) from time to time or (if they decline to act in respect of any referral) an independent firm of chartered accountants agreed between the directors and the proposing transferor or, in default of agreement within 14 days after the auditors or accountants (as applicable) have declined to act, appointed on the application of either the Company or the proposing transferor by the president or next available officer for the time being of the Institute of Chartered Accountants in England and Wales;
- (b) references to a **proposing transferor** are to be construed, in relation to any deceased or bankrupt shareholder, as a reference to his legal representatives.

26 Share transfers generally

- 26.1 In paragraph 26(1) of the model articles, the words "and (if any of the shares is not fully paid) the transferee" are inserted after the words "which is executed by or on behalf of the transferor".
- 26.2 Except in the circumstances set out in article 26.3, the directors may refuse to register the transfer of a share.
- 26.3 Subject to article 26.4, the directors must register:
- (a) a transfer made in accordance with article 24; and
 - (b) a transfer previously approved in writing by all the shareholders.
- 26.4 The directors may refuse to register the transfer of a share if:
- (a) the share is not fully paid;
 - (b) the transfer is not lodged at the Company's registered office or such other place as the directors have appointed;
 - (c) the transfer is not accompanied by the certificate for the shares to which it relates, or such other evidence as the directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf;
 - (d) the transfer is in respect of more than one class of shares;
 - (e) the transfer is in favour of more than four transferees; or
 - (f) the transfer is not duly stamped (if required).
- 26.5 If the directors refuse to register the transfer of a share, the Company must, as soon as practicable and in any event within two months after the date on which the transfer was lodged with the Company, send notice of the refusal to the transferee together with its reasons for the refusal.
- 26.6 An instrument of transfer which the directors refuse to register must (except in the case of suspected fraud) be returned to the person lodging it.

27 Tag along

- 27.1 After first giving a transfer notice to the Company and going through the procedure set out in article 25, the provisions of article 27.2 to article 27.6 (inclusive) shall apply if the proposing transferor proposes to transfer the offered shares to a bona fide arm's length purchaser (**proposed transfer**) and such transfer would, if carried out, result in such person (**proposed buyer**) acquiring a controlling interest in the Company.
- 27.2 Before making a proposed transfer, the proposing transferor shall procure that the proposed buyer makes an offer (**tag along offer**) to the offerees to purchase all of the

shares held by them for a consideration in cash per share that is at least equal to the price per share offered by the proposed buyer in the proposed transfer (**specified price**).

- 27.3 The tag along offer shall be given by written notice (**tag along notice**), at least seven business days (**tag along period**) before the proposed transfer date. To the extent not described in any accompanying documents, the tag along notice shall set out:
- (a) the identity of the proposed buyer;
 - (b) the purchase price and other terms and conditions of payment;
 - (c) the proposed transfer date; and
 - (d) the number of shares proposed to be purchased by the proposed buyer.
- 27.4 If the proposed buyer fails to make the tag along offer in accordance with article 27.2 and article 27.3, the proposed transferor 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.
- 27.5 If the tag along offer is accepted by any offeree in writing within the tag along period, the completion of the proposed transfer shall be conditional on completion of the purchase of all the shares held by such offeree.
- 27.6 The proposed transfer is subject to the rights of pre-emption set out in article 25, but the purchase of any offeree's shares pursuant to this article 27 shall not be subject to those provisions.

28 Transmission of shares

Nothing in these articles releases the estate of a deceased shareholder from any liability in respect of a share solely or jointly held by that shareholder.

29 Exercise of transmitters' rights

In paragraph 28(3) of the model articles, the words "Any transfer made or executed under this article is to be treated as if it were made or executed" are deleted and replaced with the words "All the articles relating to the transfer of shares apply to the notification or instrument of transfer (as the case may be) as if it were an instrument of transfer executed".

Dividends and other distributions

30 Dividends

- 30.1 Subject to the provisions of the 2006 Act and to article 30.4 below, the Company may by ordinary resolution, upon the recommendation of the directors, declare a dividend.
- 30.2 Subject to article 30.4 below, every general meeting at which a dividend is declared shall, by special resolution, direct that such dividend be paid in respect of one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares.

- 30.3 Subject to article 30.4 below, where a dividend is declared in respect of more than one class of shares the Company may, by special resolution, differentiate between such classes as to the amount or percentage of dividend payable, but in default the shares in each such class shall be deemed to rank pari passu in all respects as if they constituted one class of shares.
- 30.4 The Company shall, without resolution of the directors or of the Company in general meeting and before making any other distributions, dividends or application of any profits to reserve or for any other purpose, pay to the holders of C Shares a preferential dividend equivalent to 20% of the Operating Cash Flow for each financial year of the Company (**Preferred C Dividend**) starting from 1 January 2020.
- 30.5 Provided that the Company has sufficient profits available for distribution within the meaning of the 2006 Act (**Available Profits**) to pay the Preferred C Dividend, on and from the relevant payment date the Preferred C Dividend shall become a debt due from the Company.
- 30.6 Subject always to the Company having sufficient Available Profits to lawfully do so, during the ninth month of any financial year of the Company, the Company shall pay an interim dividend to the holders of the C Shares on account of the Preferred C Dividend (based upon an estimate of what the Preferred C Dividend will be for that financial year) with the balance of the Preferred C Dividend being paid by the Company within 3 months of the end of the financial year to which it relates.
- 30.7 If the Company does not have sufficient Available Profits to pay in full any Preferred C Dividend in relation to any financial year of the Company, then the Company shall pay such amount of the Preferred C Dividend that it is lawfully able to do so and any amount of the Preferred C Dividend not paid shall be added to the amount of the Preferred C Dividend in respect of the following financial year of the Company or the soonest financial period in which such Preferred C Dividend may be lawfully paid in accordance with the 2006 Act or other relevant legislation.
- 30.8 When paying any interim dividends, the directors may make payments to one or more classes of shares to the exclusion of the other classes or to all classes of shares. When making such payments the directors may differentiate between the classes to which payments are being made as to the amount or percentage of dividend payable. Article 30 of the Model Articles shall be read and construed accordingly.

31 Deductions from distributions in respect of sums owed to the Company

Paragraph 73 of the public company model articles applies to the Company and forms part of these articles as if the text of that paragraph was set out in full in these articles.

Capitalisation of profits

32 Authority to capitalise and appropriation of capitalised sums

In paragraph 36(4) of the model articles, the words "in or towards paying up any amounts unpaid on existing shares held by the persons entitled, or" are inserted after the words "may be applied".

Part 4: Decision-making by shareholders

Organisation of general meetings

33 Notice of general meeting

- 33.1 Notice of a general meeting need not be sent to any member who, under the terms of issue of the shares he holds, is not entitled to receive notice.
- 33.2 Notice of a general meeting need not be given to a transmittee, if the member concerned would not have been entitled to receive the notice.
- 33.3 A shareholder present, either in person or by proxy, at any general meeting of the Company will be deemed to have received notice of the meeting and, where requisite, of the purposes for which the meeting was convened.

34 Quorum for general meetings

- 34.1 If the Company has only one member, one qualifying person present at the meeting is a quorum. Subject as provided in section 318(2) of the 2006 Act, if the Company has more than one member, two qualifying persons present at the meeting and entitled to vote are a quorum.
- 34.2 If, at any adjourned meeting, such a quorum is not present within half an hour of the time appointed for the adjourned meeting, one qualifying person present at the meeting is a quorum.
- 34.3 In this article 34, **qualifying person**, in relation to any general meeting, means an individual who is a member of the Company, a person authorised under section 323 of the 2006 Act to act as the representative of a corporation in relation to the meeting, or a person appointed as proxy of a member in relation to the meeting.

Voting at general meetings

35 Voting: general

- 35.1 On a vote on a resolution on a show of hands at a general meeting:
 - (a) every shareholder present in person has one vote; and
 - (b) every proxy present who has been duly appointed by one or more shareholders entitled to vote on the resolution has one vote (subject to section 285(2) of the 2006 Act).
- 35.2 On a vote on a resolution on a poll taken at a meeting, every shareholder present in person or by one or more duly appointed proxies has one vote in respect of each share held by him.

36 Poll votes

Paragraph 44(2) of the model articles is deleted and replaced with a new paragraph 44(2) as follows:

"A poll may be demanded by:

- (a) the chairman of the meeting;
- (b) the directors; or
- (c) any shareholder."

37 Content of proxy notices

The company is not required to check or ensure that a person appointed as a proxy votes (or abstains from voting) in accordance with any instructions given by the shareholder by whom the proxy is appointed. A vote given, or poll demanded, by a proxy is valid even though the proxy does not vote in accordance with any such instructions.

Restrictions on members' rights

38 No voting of shares on which money owed to company

No voting rights attached to a share may be exercised in any way permitted by the 2006 Act unless all amounts payable to the Company in respect of that share have been paid.

Part 5: Administrative arrangements

39 Means of communication to be used

39.1 In addition to any other means of communication, the Company may send or supply any document or information which is authorised or required to be sent or supplied by the Company to its members by any provision of the Companies Acts or under these articles by making it available on a website.

39.2 The provisions of the 2006 Act which apply when documents or information to be sent or supplied under the Companies Acts are made available on a website also apply, with any necessary changes, when any document or information is to be sent or supplied by the Company under these articles.

40 When a communication from the Company is deemed received

Section 1147 of the 2006 Act applies to any document or information which is authorised or required to be sent or supplied by the Company to its members by any provision of the Companies Acts or under these articles as if:

40.1 section 1147(2) were deleted and replaced with a new section 1147(2) as follows:

"Where the document or information is sent by post (whether in hard copy or electronic form) and the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient (a

24 hours after it was posted, if posted by first class post to an address in the United Kingdom, and (b) on the fifth working day after it was posted, if posted by international signed for post to an address outside the United Kingdom.";

40.2 in section 1147(3), the words "48 hours after it was sent" were deleted and replaced with the words "24 hours after it was sent"; and

40.3 section 1147(5) were deleted and replaced with a new section 1147(5) as follows:

"Where the document or information is handed to the intended recipient (whether in hard copy or electronic form), or is sent or supplied by hand and the Company is able to show that it was properly addressed and sent at the cost of the Company, it is deemed to have been received by the intended recipient when delivered."

41 When a communication to the Company is deemed received

A document or information sent or supplied to the Company under these articles is deemed to have been received by the Company when it is received at the address specified by the Company for the purpose or at the Company's registered office, or (in the case of a document or information sent or supplied to the Company by a director) when it is produced to any directors' meeting.

42 Communications to and by joint holders

42.1 In the case of joint holders of a share:

- (a) a document or information will be validly sent or supplied to all the joint holders if sent or supplied to whichever of them is named first in the register of members in respect of the joint holding; and
- (b) anything to be agreed or specified in relation to a document or information to be sent or supplied to the joint holders may be agreed or specified by the joint holder whose name appears first in the register of members in respect of the joint holding, and this will bind all the joint holders.

42.2 References in article 42.1 to a document or information are references to any document or information which is authorised or required to be sent or supplied by the Company by any provision of the Companies Acts or under these articles.