

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
MARTIN'S FAMILY HOLDINGS LTD
(the Company)

WRITTEN RESOLUTIONS

27 September 2016 (the Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions be passed as to resolutions 1 and as special resolutions and as to resolutions 3 and 4 as ordinary resolutions (**the Resolutions**)

SPECIAL RESOLUTION

- 1 THAT the draft articles of association (**Articles**) attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association
- 2 Subject to the passing of Resolution 1, THAT the one issued ordinary share in the Company be re-designated as an A ordinary share of £740 having the rights and being subject to the restrictions set out in the Articles

ORDINARY RESOLUTION

- 3 THAT, in accordance with section 551 of the Companies Act 2006 (**CA 2006**) the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £59,636,600 of A ordinary shares of £740 each in the capital of the Company, £40,916,820 of B ordinary shares of £740 each in the capital of the Company and £54,580,920 C ordinary shares of £740 each in the capital of the Company provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 1 October 2016 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority revokes and replaces all unexercised authorities previously granted to the Directors
- 4 THAT the purchase by the Company of the entire issued share capital of Martin's Properties Holdings Limited on the terms of the annexed share sale agreement being a legal entity connected with Thomas Martin, the director of the Company, be approved

Agreement

Please read the notes at the end of this document before signifying your agreement to the Resolutions

The undersigned, being the sole person entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions


Thomas Martin

30 September 2016

Date

SATURDAY



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08/10/2016

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COMPANIES HOUSE

Notes

- 1 If you agree to the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it by email or by hand to Paul Nicholson, 36 Walpole Street London SW3 4QS or paul.nicholson@martins-properties.co.uk
- 2 If you do not agree to the Resolutions, you do not need to do anything, you will not be deemed to agree if you fail to reply. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
- 3 Unless by the date falling 28 days after the Circulation Date, sufficient agreement has been received for the Resolutions to pass, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 5 If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company No. 10250843

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
MARTIN'S FAMILY HOLDINGS LIMITED
(Adopted by Written Resolution passed on 30 September 2016)

THM

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

of

MARTIN'S FAMILY HOLDINGS LIMITED (the Company)

(Adopted by Written Resolution passed on 30 September 2016)

1 PRELIMINARY

The model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (S1 2008/3229) (**Model Articles**) (as amended prior to the date of adoption of the Articles), except insofar as they are modified or excluded by these Articles or are inconsistent with the provisions of these Articles, shall, together with these Articles, apply to the Company to the exclusion of all other regulations or articles of association set out in any statute or statutory instrument or other subordinate legislation

2 PRIVATE COMPANY

The Company is a private company within the meaning of Section 4(1) of the Companies Act 2006 (the "**Act**")

3 INTERPRETATION

3 1 In these Articles

3 1 1 unless the context otherwise requires

A Shares: means the A shares of £740 each in the share capital of the Company from time to time

Bare Trustees: means Thomas Henry Martin, Emma Catherine Carlton-Smith, Beth Christian Gibbey and Rex Daniel Newman and /or their respective successors as bare trustees from time to time

Bare Trusts. means the bare trusts on which B Shares are held by the Bare Trustees

B Shares. means the B shares of £740 each in the share capital of the Company from time to time

C Shares: means the C shares of £740 each in the share capital of the Company from time to time

clear day in the context of computing periods of notice

	shall have the meaning set out in Section 360(2) of the Act
Deed of Adherence:	means a deed of adherence to a Shareholders Agreement in the form required by that Agreement
Distribution Reserve:	has the meaning given in Article 7.1.11.1
Family:	means the lineal descendants of Peter and Peta Martin (including adopted children) and the Spouses of such descendants
Family Trust:	means a trust (whether arising under a settlement, declaration of trust or other instrument, but not being a bare trust) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of a member of the Family and under which no power of control over the voting rights conferred by any share the subject of the trust is capable of being exercised by or subject to the consent of any person other than the trustees of the Family Trust
Group	means the Company and any subsidiary or subsidiaries from time to time of the Company
Independent Trustee:	means Rex Daniel Newman acting as an independent trustee of the Bare Trusts or his successor from time to time
Minimum Payment	has the meaning given in Article 7.1.12
Model Articles:	has the meaning set out in Article 1 (Preliminary)
ordinary resolution:	has the meaning given in Section 282 of the Act
paid up:	means, in relation to a share, paid up or credited as paid up,
Personal Representative:	means in relation to an individual holding shares - <ul style="list-style-type: none"> (a) where such individual is deceased, their executors or administrators, (b) where such individual is incapacitated, the donees of any enduring or lasting power of attorney made by that individual
Relevant Officer.	means any director or other officer or former director or former other officer of the Company but excluding in each case any person engaged by the Company as auditor

(whether or not he is also director or other officer) where he acts in his capacity as auditor and the "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 or employee's share scheme of the Company

Required Majority:	means Shareholders representing 60% or more of the votes attributable to each of (1) the A Shares and (2) the C Shares
Shareholder.	means the holder of a Share in the capital of the Company of whatever class
Shareholders Agreement:	means any agreement with respect to the Company made between the Shareholders from time to time in their capacity as such
Shares:	means the A Shares, the B Shares and the C Shares together, including the A Shares resulting from the reclassification of the B Shares pursuant to Article 10 4
special resolution	has the meaning given in Section 283 of the Act
Spouse:	means a spouse or civil partner of a Shareholder while he or she remains as such
Transmittee	means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law
Voting Shares	the Shares having the right to vote at the relevant time

- 3 1 2 headings in the Articles are used for convenience only and shall not affect the interpretation of the Articles,
- 3 1 3 a reference in the Articles to an "Article" is a reference to the relevant article of the Articles,
- 3 1 4 a reference in the Articles to a "Model Article" is a reference to the relevant article of Model Articles,
- 3 1 5 reference to any statute or statutory provision includes a reference to that statute or statutory provision as from time to time amended, extended or re- enacted, unless expressly provided otherwise, and
- 3 1 6 in relation to an individual, the expressions "they" and "their" are used as convenient shorthands for "he" and "she" and "his" and "her"

4 SHARE CAPITAL

- 4 1 The A Shares, the B Shares and the C Shares shall be separate classes of shares and shall

carry the respective rights and be subject to the restrictions set out in these Articles, but, subject to the provisions of Articles 5, 7 1 to 7 5 and 9 to 13, shall rank pari passu in all respects

- 4 2 The directors shall sub-divide the Shares of each class into sub-classes to facilitate the payment of dividends to and the accrual of reserves in favour of and otherwise to distinguish between the holders. By way of example, the A Shares shall be sub-divided into A1, A2 and A3 Shares and so on. Reference to any class of Shares shall include (unless the context otherwise requires) any sub-class

5 VARIATION OF SHARE RIGHTS

A variation of the rights attaching to any of the A Shares, the B Shares or the C Shares shall not be effective except with the approval of a resolution passed by the holders of 60 per cent or more of the all the holders of the class of Shares whose rights are proposed to be varied

6 ISSUE OF NEW SHARES

Except as authorised by resolution of the Company passed in accordance with Section 551 of the Act, the directors shall have no authority pursuant to these Articles to exercise any power of the Company to -

- 6 1 offer or allot,
6 2 grant rights to subscribe for, grant options over or to convert any security into, or
6 3 otherwise deal in, or dispose of
shares in the Company

7 RIGHTS ATTACHING TO SHARES

The A Shares, the B Shares and the C Shares shall have and enjoy the following rights and be subject to the following restrictions -

7 1 As regards income -

- 7 1 1 The Shares shall rank pari passu as to income, except as otherwise provided in this Article 7 1 and Article 7 2
7 1 2 Subject to the following provisions of this Article, all dividends shall be declared and paid to the Shareholders pro rata to their respective holdings
7 1 3 The directors shall determine, on 30 September and 31 March (**Dividend Dates**) in each year commencing on 31 March 2017, whether to declare a dividend and if so the amount of the dividend to be declared on each class or sub-class of Shares
7 1 4 No dividend shall be declared in respect of any class or sub-class of Shares unless and except to the extent that the holders of the relevant class or sub-class have requested it prior to the Dividend Date
7 1 5 The holders of the A Shares and the C Shares shall be treated as having requested all of their dividends unless and except to the extent that the holders of any class or sub-class of such Shares notify the Company to the contrary prior to the Dividend Date
7 1 6 In relation to any B Shares held on Bare Trusts at the date of adoption of these Articles, the following shall apply

- 7 1 6 1 on any Dividend Date when the beneficial owner is under 18, no dividend shall be declared on their sub-class of B Shares, unless the Bare Trustees notify the Company prior to the Dividend Date that they wish some or all of the dividend to be declared on such B Shares,
- 7 1 6 2 on any Dividend Date when the beneficial owner is 18 or over but under 25, no dividend shall be declared on their sub-class of B Shares, unless the Independent Trustee notifies the Company prior to the Dividend Date that he wishes some or all of the dividend to be declared on such B Shares,
- 7 1 6 3 on any Dividend Date when the beneficial owner is 25 or over, he or the holders shall be treated as having requested all of the dividends on their sub-class of B Shares unless and except to the extent that the beneficial owner notifies the Company to the contrary prior to the Dividend Date,
- 7 1 7 As to the B Shares held by the trustees of any Family Trust, the Trustees shall be treated as having requested all of the dividends on their sub-class of B Shares unless and except to the extent that they notify the Company to the contrary prior to the Dividend Date
- 7 1 8 In respect of any financial year, the payment on 31 March will be an interim dividend for such year and the payment on 30 September shall be a final dividend
- 7 1 9 Dividends shall be paid within 60 days of being declared
- 7 1 10 Where Shares are held in the names of two or more joint holders, the notification of any two of the named holders shall be sufficient for the Company, and in case of conflict the Company may require such further evidence of the request as it considers necessary before making payment of the dividend
- 7 1 11 Where or to the extent that, on any Dividend Date, a Shareholder of any class or sub-class requests, or is treated as having requested, that a dividend is not declared on their Shares the following provisions shall apply -
 - 7 1 11 1 a calculation shall be made of the difference between the pro rata amount that each relevant holder would have received had their dividend been declared in full and the actual amount (if any) such holder receives by way of dividend (such difference being called the **Shortfall**)
 - 7 1 11 2 the Company shall transfer to a separate reserve (each, a **Distribution Reserve**) in the name of the relevant holder an amount equal to their Shortfall,
 - 7 1 11 3 the Distribution Reserve shall accrue further reserves equivalent to interest at a rate equal to average 3 month LIBOR plus 250 bps commencing on the relevant payment date to be transferred to a further reserve account in the name of the relevant holder half-yearly on the day prior to each Dividend Date
- 7 1 12 The directors may set, in respect of any class or sub-class of Shares, a minimum annual dividend payment (**Minimum Payment**) to be made half-yearly in equal instalments following each Dividend Date (in the absence of contrary request from the holder of the Shares concerned and subject to profits being available for distribution and the Company resolving to distribute them) and the Minimum Payment may in the discretion of the directors differ from class to class and sub-class to sub-class and the directors may review the Minimum Payment from time to time

7 2 As regards the Distribution Reserves -

7 2 1 The assets represented by the Distribution Reserves shall be invested by the directors in a manner which -

7 2 1 1 takes prudent account of the need for asset diversity,

7 2 1 2 is intended to earn a net of tax return to the Company that at least meets the annual interest accrual on the Distribution Reserves under Article 7 1 11 3, and

7 2 1 3 provides the Company with the liquidity necessary to fund cash distribution of the Distribution Reserves, making reasonable assumptions about future shareholder requests under Article 7 2 2

7 2 2 Where a Shareholder wishes to receive a dividend out of their Distribution Reserve, the following shall apply -

7 2 2 1 they must first request payment in writing in accordance with Articles 7 1 4 to 7 1 7, of their full pro rata share of the dividend (if any) payable on the next Dividend Date,

7 2 2 2 subject to Article 7 2 2 3, they shall request at the same time that the Company pays a further dividend on the next Dividend Date out of their Distribution Reserve,

7 2 2 3 any request in relation to B Shares held on Bare Trusts at the date of adoption of these Articles shall, if the beneficial owner is under 18, on the relevant Dividend Date be made by the Bare Trustees and, if the beneficial owner is 18 or over on such Dividend Date but under 25, be made by the Independent Trustee,

7 2 2 4 the directors shall consider all such requests for further dividends out of Distribution Reserves, having regard to -

7 2 2 4 1 the amount of the Company's distributable reserves,

7 2 2 4 2 the Company's working capital needs,

7 2 2 4 3 the liquidity of the assets representing the Distribution Reserves,

7 2 2 4 4 the aggregate amount of the Distribution Reserves,

7 2 2 4 5 any imbalance between the separate Distribution Reserves held by the holders of Shares of any class or sub-class,

and the directors shall determine, based on the foregoing and any other relevant factors, the amount of any further dividend (which need not be pro rata) to be paid to the holders of Shares of any class or sub-class on the next Dividend Date

7 2 3 Where the Company declares a dividend, it shall be applied (subject to Article 7 2 2) on the Dividend Date to satisfy in the following order of payment -

7 2 3 1 any Minimum Payments then due,

7 2 3 2 any requests made for dividends to be paid on the Dividend Date out of

Distribution Reserves (up to a limit for each holder of Shares equivalent to three times the Minimum Payment applicable to their Shares of the relevant class),

7 2 3 3 any payment which the directors resolve to make on the Dividend Date to Shareholders in respect of current year profits in excess of the Minimum Payments, and

7 2 3 4 any further amount which the directors resolve to declare on the Dividend Date in response to requests for dividends to be paid out of Distribution Reserves in excess of the limit in Article 7 2 3 2

7 3 As regards capital

On a return of capital on liquidation or otherwise the assets of the Company remaining after payment of its liabilities shall belong to and be distributed to the holders of the Shares -

7 3 1 first, in payment of the Distribution Reserves *pari passu* to the amounts held for each Shareholder of whatever class, and

7 3 2 then, *pari passu* in proportion to the number of Shares of whatever class held by them respectively

7 4 As regards voting

On a show of hands, every Voting Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote and on a poll every Voting Shareholder shall have one vote for every Share of which they are the holder Subject to Article 10 4 the B Shares shall not entitle the holders thereof to any vote, save for the purposes of a resolution to approve the variation of the rights attaching to the B Shares in accordance with Article 5, in which event the holders of the B Shares shall for such purposes have the same rights *mutatis mutandis* as the holders of the Voting Shares

7 5 As regards appointment of directors

7 5 1 The holders of 60 percent or more of the A Shares shall be entitled to appoint and remove from time to time (by written notice given by them to the Company) one director (**A Director**) and may also require that the A Director (or an alternative appointee chosen by such holders) sits on the board of any wholly owned subsidiary

7 5 2 The holders of 60 percent or more of the C Shares shall be entitled to appoint and remove from time to time (by written notice given by them to the Company) one director (**C Director**) and may also require that the C Director (or an alternative appointee chosen by such holders) sits on the board of any wholly owned subsidiary

7 5 3 The A Director and the C Director may respectively certify whether the holders of a relevant percentage of the A Shares and the C Shares are agreed on any matter in respect of which a Required Majority is needed and the Company may rely conclusively on such certificate

8 TRANSFER OF SHARES

8 1 No Shareholder shall transfer or dispose of any Share, or any interest in, or right attaching to, or renounce or assign any right to receive or subscribe for, any Share or create or permit to exist any charge, lien or encumbrance over any Share or any interest in Shares or agree (whether subject to any condition precedent, condition subsequent or otherwise) to do any of such things except (but subject always to Article 8 4 and Article 11) -

- 8 1 1 as permitted by Article 9,
 - 8 1 2 as required by and in accordance with Articles 12 or 13, or
 - 8 1 3 where specifically approved by the holders of a Required Majority, or
 - 8 1 4 where permitted by a Shareholders Agreement and transferred in accordance with its provisions
- 8 2 For the purpose of ensuring that a particular transfer of Shares is permitted under these Articles the directors may require the transferor or the person named as transferee in any transfer lodged for registration to supply the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being supplied to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question.
- 8 3 Subject to Article 8 4, the directors may not refuse to register any transfer of a Share which is permitted under these Articles unless they suspect that the proposed transfer may be fraudulent. Model Article 26(5) shall not apply to the Company.
- 8 4 The directors may refuse to register a transfer of Shares unless -
- 8 4 1 it is lodged at the office or at such a place as the directors may appoint as accompanied by the certificate for the Shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer,
 - 8 4 2 it is in respect of only one class of Share, and
 - 8 4 3 it is in favour of not more than four transferees
- 8 5 If the directors refuse to register the transfer of a Share the instrument of transfer must be returned to the transferee with the notice of refusal unless the directors suspect that the proposed transfer may be fraudulent.
- 9 PERMITTED TRANSFERS**
- 9 1 The following transfers of Shares are permitted subject to the obtaining of any consent required under, and compliance with any requirement of, the Shareholders' Agreement -
- 9 1 1 in relation to A Shares, the holder may transfer all or any of their A Shares to -
 - 9 1 1 1 one or more members of the Family who have attained the age of 25,
 - 9 1 1 2 trustees to be held on one or more family trusts (in which case Article 10 1 shall apply)
 - 9 1 2 in relation to B Shares, the holder may transfer all or any of their B Shares -
 - 9 1 2 1 where those B Shares are held on a Bare Trust, to the person who is the beneficial owner of such B Shares under the Bare Trust provided the beneficial owner has attained the age of 18 or to another trustee to hold on bare trust for the same beneficial owner,
 - 9 1 2 2 by, or at the direction of, the beneficial owner of those shares to one or more members of the Family who have attained the age of 25,
 - 9 1 2 3 to trustees to be held on one or more Family Trusts,

- 9 1 2 4 where those B Shares are held on a Family Trust, to new Trustees on a change of the Trustees of such Family Trust
- 9 1 3 In relation to C Shares, the holder may transfer all or any of their C Shares -
 - 9 1 3 1 to one or more members of the Family who have attained the age of 25 (in which case Article 10 2 shall apply),
 - 9 1 3 2 where those C Shares are held on a Family Trust, to new trustees on a change of the Trustees of such Family Trust
- 9 2 If the Transmittes of any shareholder are permitted under the Articles to become registered as the holders of any of such Shareholder's Shares and elect so to do, then such shares may at any time be transferred by those Transmittes to any person to whom under this Article 9 the same could have been transferred by such shareholder had he remained the holder of them, but no other transfer of such shares by the Transmittes shall be permitted
- 9 3 Where, pursuant to Article 9 1, Shares are transferred to a member of the Family whose status derives from being the Spouse of another Family member and subsequently, at any time, the Spouse and the Family member concerned are divorced, judicially separated or the civil partnership is dissolved, the shares so transferred shall be transferred free of any lien, charge or other encumbrance to that Family member (or if that Family member so directs to another Family member) for no consideration and if the Spouse fails within 30 days of a written request by the Company to execute a transfer in accordance with this Article any director is authorised to execute and complete such transfer on their behalf
- 9 4 On a transfer or transmission of A Shares or C Shares, no votes attaching to them may be exercised unless and until the transferee or Transmittes has executed a Deed of Adherence
- 10 **SHARE RECLASSIFICATION**
- 10 1 On a permitted transfer of A Shares to the Trustees of a Family Trust, the A Shares concerned shall be reclassified as C Shares
- 10 2 On a permitted transfer of C Shares to a member of the Family to be held by that individual beneficially, the C Shares concerned shall be immediately and automatically reclassified as A Shares
- 10 3 No other transfer of Shares shall result in their reclassification
- 10 4 On 1st January 2041 the B Shares shall be reclassified immediately and automatically, into A Shares, all of which shall thereupon have the rights as to voting attributed to the holders of Voting Shares in Article 7 4, and shall rank *pari passu* with the other A Shares as to any distributions of profits after 31st December 2040, as to any return of capital on winding up or otherwise after 31st December 2040 and otherwise in all respects
- 11 **OBLIGATORY TRANSFERS**
- 11 1 On the occurrence of a Relevant Event in relation to a Shareholder, the Company may, within 60 days of becoming aware of it, elect, subject to Chapter 4 of Part 18 of the Act, to purchase the Shares that they hold (other than Shares held by them jointly or for a family trust or as bare trustee for another) for no consideration and if the Shareholder fails within 30 days of a written request by the Company to execute any deed or document required to give effect to such purchase by the Company any director is authorised to execute and complete it on their behalf
- 11 2 In this Article 11 a **Relevant Event** means -
 - 11 2 1 in relation to a Shareholder holding A Shares, such Shareholder being adjudicated bankrupt or entering into a voluntary arrangement or composition with his creditors,

- 11 2 2 in relation to a Shareholder holding B Shares on Bare Trust for any person, the beneficial owner being adjudicated bankrupt or entering into any voluntary arrangement or composition with his creditors

12 DRAG ALONG

- 12 1 If the holders of a Required Majority of the A Shares and the C Shares (**Selling Shareholders**) wish to transfer all (but not some only) of their A Shares and C Shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other shareholders (**Called Shareholders**) to sell and transfer all 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**)
- 12 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify
- 12 2 1 that the Called Shareholders are required to transfer all their Called Shares pursuant to this Article 12 1,
- 12 2 2 the person to whom the Called Shares are to be transferred,
- 12 2 3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Proposed Buyer for each of the Sellers' Shares, and
- 12 2 4 the proposed date of the transfer
- 12 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 120 days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 12 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 12 2.
- 12 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 Sellers' Shares unless
- 12 5 1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or
- 12 5 2 that date is less than 30 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 30th day after service of the Drag Along Notice.
- 12 6 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to Article 12 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 Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 12 7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable

indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 12 in respect of their Shares

- 12 8 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article 12 6) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders 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 it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this Article 12

13 TAG ALONG RIGHTS ON A CHANGE OF CONTROL

- 13 1 The provisions of Article 13 2 to Article 13 5 shall apply if Shareholders (**Relevant Shareholders**) wish to transfer A Shares or C Shares representing in the aggregate 10 per cent or more of the Voting Share capital to a Proposed Buyer (as defined in Article 12 1 and not being a member of the Family or Trustees of a Family Trust)

- 13 2 Before making any transfer of shares to the Proposed Buyer, the Relevant Shareholders shall procure that the Proposed Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the Shares held by them or the same proportion of their Shares as are being sold by the Relevant Shareholders for a consideration in cash per share that is equal to the price per Share offered by the Proposed Buyer to the Relevant Shareholders for each of their Shares (**Specified Price**)

- 13 3 The Offer shall be made by written notice (**Offer Notice**), at least 30 days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out

13 3 1 the identity of the Proposed Buyer,

13 3 2 the Specified Price and other terms and conditions of payment,

13 3 3 the Sale Date, and

13 3 4 the number of Shares proposed to be purchased by the Buyer (**Offer Shares**)

- 13 4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with Article 13 2 and Article 13 3, the Relevant Shareholders 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

- 13 5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 60 days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders

14 PROHIBITED TRANSFERS

Notwithstanding anything else contained in the Articles no share shall be issued or transferred to any infant, bankrupt, person who has made any arrangement with his creditors or has a county court administration order made against him under the County Court Act 1984 or a statutory or court appointed trustee or third party receiver appointed by virtue of illness or incapacity of a shareholder

15 **PURCHASE OF OWN SHARES**

Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital

16 **PROCEEDINGS AT GENERAL MEETINGS**

Quorum

16 1 No business other than the appointment of a chairman shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Two members holding 'A' Shares present in person or by proxy shall be a quorum. Model Article 38 shall not apply to the Company. Holders of 'B' Shares are entitled to receive notice of and attend general meetings.

16 2 If within half an hour from the time appointed for a general meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, in any other case it shall stand adjourned to the same day in the next week, at the same time and place (or to such other day and at such other time and place as all the members may agree in writing). If at any adjourned meeting such a quorum is not present within half an hour from the time appointed for the adjourned meeting the meeting shall be adjourned sine die. Model Article 41(1) shall not apply to the Company.

Appointment of Chairman

16 3 The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting members present shall be entitled to appoint a person present at the meeting to act as chairman, and the appointment of the chairman must be the first business of the meeting. In the event of dispute such appointment shall be made by vote in accordance with Article 15. Model Article 39(2) shall be amended accordingly.

Directors' ability to speak at General Meetings

16 4 Directors may attend and speak at general meetings. Model Article 40(2) shall be excluded.

Demand of a poll vote

16 5 At any general meeting a poll may be demanded by a qualifying person (as defined in Section 318 of the Act) present and entitled to vote at the meeting. Model Article 44(2) shall be modified accordingly.

16 6 Model Article 44(3) 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 Model Article.

Proxy Notices

16 7 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the date and time appointed for holding the meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

16 8 Model Article 45(4)(a) shall be amended by the insertion of the words "(including for the avoidance of doubt the appointment of a chairman of the meeting)" at the end of that subparagraph.

17 VOTES OF MEMBERS

- 17 1 All votes shall be taken on a poll. Each holder of a Voting Share shall have one vote for each share they hold.
- 17 2 Where two persons are registered as the holder of a share, both of them must tender any vote.
- 17 3 Where more than two persons are registered as the holder of a share, the Company may accept a vote tendered by any two of the holders.

18 ALTERNATE DIRECTORS

- 18 1 Any director (other than an alternate director but including the A Director and the C Director) (in this Article 18 the appointor) may at any time appoint any person (including another director) to be an alternate director to exercise that director's powers, and carry out that director's responsibilities in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 18 2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or any other manner approved by the directors. The notice must -
- 18 2 1 indemnify the proposed alternate, and
- 18 2 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.
- 18 3 Except as the Articles specify otherwise, alternate directors -
- 18 3 1 are liable for their own acts and omissions,
- 18 3 2 are subject to the same restrictions as their appointors,
- 18 3 3 have the same rights, in relation to any decision of the directors, as the alternate's appointor, and
- 18 3 4 are not deemed to be agents of or for their appointors, and in particular each alternate director shall be entitled to receive notice of all meetings of directors and all meetings of committee of directors of which his appointor is a member.
- 18 4 A person who is an alternate director but not a director -
- 18 4 1 may be counted as participating for the purposes of determining whether a quorum is present, but only if that person's appointor is not participating, and
- 18 4 2 may participate in any decision of the directors including in a unanimous decision of the directors, but only if his appointor is an Eligible Director in relation to that decision, and does not himself participate.
- 18 5 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors in relation to that decision.
- 18 6 A director who is also an alternate director shall count as two directors for determining whether a quorum is present. If his appointor is from time to time absent from the United Kingdom or temporarily unable to act through ill-health or disability the signature of an alternate director to any resolution in writing of the directors shall be as effective as the signature of his appointor.

- 18 7 An alternate director shall not (save as aforesaid) have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles
- 18 8 An alternate director may be paid expenses and may be indemnified by the Company as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate director's appointor as the appointor may by notice in writing to the Company from time to time direct
- 18 9 An alternate director's appointment terminates -
- 18 9 1 when the alternate director's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate, and
- 18 9 2 on the occurrence, in relation to the alternate of any events which, if it occurred in relation to the alternate director's appointor would result in the termination of the appointor's appointment as a director, or
- 18 9 3 when the alternate director's appointor ceases to be a director for whatever reason

19 PROCEEDINGS OF DIRECTORS

- 19 1 Except during periods when there is, for whatever reason, only one director -
- 19 1 1 the quorum for the transaction of the business of the directors shall be two, one of whom shall (when appointed) be an A Director and one of whom shall be a C Director, and
- 19 1 2 the quorum for the transaction of the business of any committee of the directors shall be two
- 19 2 During any period when there is only one director the quorum for the transaction of the business of the directors shall be one
- 19 3 In the event that at any duly convened meeting of the directors or of any committee of the directors the meeting is not so quorate, or if during the meeting such a quorum ceases to be present, the meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day, and at such other time and place as the directors may agree) and at such adjourned meeting the quorum shall be one director

Notice of Meetings

- 19 4 Unless otherwise agreed in writing by the directors in any particular case, at least 7 clear days' notice in writing shall be given to each director of every meeting of the directors Model Article 9(3) shall not apply
- 19 5 Notice of any directors' meeting must indicate
- 19 5 1 its proposed date and time,
- 19 5 2 where it is to take place,
- 19 5 3 an agenda specifying in reasonable detail the matters to be discussed accompanied by copies of any relevant papers or documents to be referred to, and
- 19 5 4 if it is anticipated that the directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting

Model Article 9(2) shall not apply

- 19 6 This Article 19 does not affect any provision in any relevant legislation or the Articles requiring notice or documents to be delivered in a particular way
- 19 7 Except as may be agreed by the directors in any particular case, no business or resolution shall be transacted or passed at any meeting of the directors except as was fairly disclosed in the agenda for such meeting
- 19 8 Model Article 15 shall be amended by the addition of the words "and copies of such records shall be distributed to the directors as soon as reasonably practicable after the meeting shall have been held" at the end of that Model Article

Directors' Interests

- 19 9 A director who is in any way, whether directly or indirectly, interested in an existing transaction or arrangement or proposed transaction or arrangement or any matter arising out of such arrangement or transaction who declares his interest in accordance with sections 175 to 187 (inclusive) of the Act and such interest, where so required by the Act has been approved by the directors of the Company -
- 19 9 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- 19 9 2 shall be entitled to vote at a meeting of directors (or 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,
- 19 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 he were not a director,
- 19 9 4 may be an officer or other officer of, or employed by or otherwise interested in any body corporate which is party to a transaction or arrangement with or in which the Company is (directly or indirectly) interested, and
- 19 9 5 shall not, save that he may otherwise agree, be accountable to the Company for any benefit for which he (or any person connected with him after Section 252 of the Act) derives from any such contract transaction or arrangement or from any such office of 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 interested benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act
- 19 10 A director whose interest in a transaction or arrangement or situation, directly or indirectly, arises by virtue of being a trustee of a family trust or bare trust shall be entitled to count in the quorum and vote at a meeting of directors (or 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
- 19 11 Model Article 14 shall not apply to the Company

20 NO CASTING VOTE

The chairman or any other Director chairing a Director's meeting shall have a casting vote

21 DIRECTORS' CONFLICTS OF INTEREST

- 21 1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a

Director (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (Conflict)

- 21 2 Any authorisation under this article 21 will be effective only if,
- 21 2 1 to the extent permitted by the Companies Acts, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,
 - 21 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
 - 21 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 21 3 Any authorisation of a Conflict under this article 21 may (whether at the time of giving the authorisation or subsequently)
- 21 3 1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
 - 21 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
 - 21 3 3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict,
 - 21 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
 - 21 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
 - 21 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters
- 21 4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 21 5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

22 **BORROWING POWERS**

The directors may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

23 ACCOUNTS AND INFORMATION

Every member shall be entitled, either himself or through his agents duly authorised in writing, during the Company's normal hours of business to inspect and take copies of the books of account and all other records and documents of the Company and each of its subsidiaries on giving not less than 48 hours written notice to the secretary (or, if there is none at that time, the chairman) The Company shall give each such member all such facilities as he may reasonably require for such purposes including the use of copying facilities The Company may make a reasonable charge for any copies taken but otherwise shall not charge for any facilities requested as aforesaid Model Article 50 shall not apply to the Company

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 should be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer in the actual or purported execution and/or discharge of his duties or in relation to them including in each case any liability incurred by him in defending any civil or criminal proceedings in which judgment is given in his favour or on 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 the 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 22 1 1 and otherwise may take action to enable 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 any provision of law

24 3 The directors may decide to purchase and maintain insurance to the expense of the Company for the benefit of any Relevant Officer and in respect of any relevant loss

24 4 Model Article 53 does not apply to the Company

25 OVERRIDING PROVISIONS

Where the approval, agreement or consent of any member or director is required under any provision of these Articles to any particular matter, such approval, agreement or consent may be given subject to such terms and conditions as that member or director may require and any breach of such terms and conditions shall ipso facto be deemed to be a breach of these Articles