

ARTICLES OF ASSOCIATION

of

**JUPITER CONSTRUCTION LTD
(Company number 10267095)**

(Adopted by special resolution passed on **23 SEPTEMBER** 2021)

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PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
JUPITER CONSTRUCTION LTD

(Adopted by special resolution passed on **23 SEPTEMBER** 2021)

INTRODUCTION

1 Interpretation

1.1 In these articles:

"**A Shares**" means the A ordinary shares of £0.01 each in the capital of the Company;

"**Act**" means the Companies Act 2006;

"**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 from time to time);

"**Appointor**" has the meaning given in article 11.1;

"**Bad Leaver**" means a person who is not a Good Leaver;

"**Business Day**" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

"**Buyer**" means a bona fide arm's length purchaser to whom the Sellers wish to transfer their Shares under article 21.1;

"**Called Shareholders**" means the holders of Shares other than the Sellers;

"**Called Shares**" means the Shares held by the Called Shareholders;

"**Civil Partner**" means a civil partner (as defined in the Civil Partnership Act 2004);

"**Compulsory Transfer**" means a transfer of Shares pursuant to a Deemed Transfer Notice given under article 18.2;

"**Compulsory Transfer Date**" means:

- (a) where a Shareholder dies, that Shareholder's date of death;
- (b) where a Shareholder becomes bankrupt, the date of the bankruptcy order made against him;
- (c) where a Shareholder makes a composition or arrangement with his creditors, the date on which that composition or arrangement becomes effective;
- (d) where a Shareholder or the Privileged Relation of a Shareholder becomes permanently mentally incapacitated the date of such diagnosis by a registered medical practitioner;
- (e) where a Shareholder has committed a Material Breach, upon notice of that fact being given to that Shareholder by another Shareholder; or
- (f) where a Shareholder, being an Employee, ceases to be an Employee, the date on which notice of such cessation is served, whether by the Employee or the Company or otherwise;

"Compulsory Transfer Event" means in relation to a holder of A Shares, being an individual:

- (a) that Shareholder's death;
- (b) that Shareholder's bankruptcy or making of any arrangement or composition with his creditors;
- (c) that Shareholder's permanent mental incapacity;
- (d) that Shareholder committing a Material Breach; or
- (e) that Shareholder, being an Employee, ceases to be an Employee;

"Compulsory Transfer Shares" means in relation to a Departing Member, all Shares held by that Shareholder immediately before the Compulsory Transfer Date;

"Conflict" has the meaning given in article 8.1;

"Connected" has the meaning given to that expression in section 1122 of the Corporation Tax Act 2010, and **"persons connected with each other"** shall be construed accordingly;

"Controlling Interest" means in relation to a company an interest in shares giving to the holder or holders control of that company (which shall mean for these purposes in relation to voting rights attaching to shares control over 50% or more of the total voting rights available to all the holders of the shares in the company but otherwise within the meaning of section 1124 of the Corporation Tax Act 2010) and **"Control"** and **"Controlled"** shall be construed accordingly;

"Deemed Transfer Notice" means a Transfer Notice which is deemed to have been served by any of the provisions of these articles;

"Departing Member" means a Shareholder in relation to whom a Compulsory Transfer Event has occurred;

"Disposal" means the disposal by the Company of all, or a substantial part of, its business and assets whether in one transaction or a series of related transactions;

"Drag Along Notice" means a notice of exercise of the Drag Along Option given under article 21.2;

"Drag Along Option" means the option referred to in article 21.1;

"Eligible Director" means a director who would be entitled to vote on the matter at a meeting of directors;

"Employee" means a director or officer (whether or not employed by the Company) or employee of the Company;

"Fair Value" has the meaning given in article 19.4;

"Good Leaver" means:

- (a) a person who ceases to be an Employee (and does not remain, or immediately thereupon become, an employee, director, worker or consultant of another Group Company) where such cessation occurs for the following reasons:
 - (i) that person's death;
 - (ii) illness or disablement of that person which, in the sole opinion of (and confirmed in writing by) a registered medical practitioner, gives rise to

permanent incapacity to continue in employment except in circumstances where the use or abuse of drugs and/or alcohol has been a significant factor in causing such illness or disablement;

(iii) illness or disablement of a Privileged Relation of that person, which in the opinion of (and confirmed in writing by) a registered medical practitioner, and confirmed by the board, as requiring the Shareholder to provide care and assistance and as such is rendered incapable of continued full time employment, except in circumstances where the use or abuse of drugs and/or alcohol has been a significant factor in causing such illness or disablement;

(iv) that person's retirement at the Company's normal retirement age (or any later age for the Shareholder's retirement agreed between such Shareholder and the Company from time to time);

(b) a person who ceases to be an Employee where the board resolves that such person is to be treated as a Good Leaver;

"Independent Expert" means an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales;

"Interested Director" has the meaning given in article 8.1;

"Material Breach" means a material or persistent breach of any Relevant Agreement which if capable of remedy has not been so remedied within 15 Business Days of another party to that agreement giving notice to the party committing such breach requiring such remedy;

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles;

"Ordinary Shares" means the ordinary shares of £0.01 each in the capital of the Company;

"Permitted Transferee" means in relation to a Shareholder any transferee of his Shares permitted under article 17;

"Privileged Relation" means the concerned Shareholder's spouse or Civil Partner, or children (including step and adopted children);

"Relevant Agreement" means any agreement relating (in whole or in part) to the management and/or affairs of the Company entered into by the Shareholders and any amendment or supplement thereto and which is binding from time to time on the Shareholders and which (expressly or by implication) supplements or prevails over any provision of these articles;

"Relevant Date" means 1 February 2037;

"Sale Price" means the sale price of the Sale Shares, determined in accordance with article 19.4;

"Sale Shares" means Shares specified in the Transfer Notice, or in respect of which the Transfer Notice was deemed to have been given;

"Sellers" means the holders of 51% or more of the total Shares in issue;

"Sellers' Shares" means all Shares held by the Sellers;

"Shareholder" means a holder of any Shares from time to time;

"Shares" means the Ordinary Shares and the A Shares and **"Share"** shall be construed accordingly;

"Third Party Purchaser" means any person who is not a Shareholder from time to time, or a person Connected with such a Shareholder;

"Total Transfer Condition" means a condition that unless all the Shares specified in the Transfer Notice are sold under article 19, none shall be sold;

"Transfer" means in relation to a transfer of Shares, shall be deemed to include a transfer of any interest in Shares (whether legal, beneficial or otherwise);

"Transfer Notice" means a notice given by a Shareholder who desires to transfer any Shares under article 19.1;

"Vendor" means the transferor under a Transfer Notice or a Deemed Transfer Notice;

"Writing or written" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of articles 17, 18, 19 and 20 "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.2 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these articles but excluding any statutory modification of them not in force on the date when these articles become binding on the Company.
- 1.3 Headings in these articles are used for convenience only and shall not affect the construction or interpretation of these articles.
- 1.4 A reference in these articles to an "article" is a reference to the relevant article of these articles unless expressly provided otherwise.
- 1.5 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.6 Save as expressly provided otherwise in these articles, any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

2 Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these articles or are inconsistent with these articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.

- 2.3 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(1)(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

3 Directors' Meetings

- 3.1 Subject as provided in these articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will try to meet at least quarterly.
- 3.2 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by a majority of votes.
- 3.3 If at any time at or before any meeting of the directors or of any committee of the directors a director participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

4 Number of directors

The number of directors shall not be less than one. No shareholding qualification for directors shall be required.

5 Calling a directors' meeting

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

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

(a) an agenda specifying in reasonable detail the matters to be raised at the meeting;
and

(b) copies of any papers to be discussed at the meeting.

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

6 Quorum for directors' meetings

Save where the Company has a sole director, the quorum at any meeting of the directors (including adjourned meetings) shall be two directors. No business shall be conducted at any meeting of the directors unless a quorum is participating at the beginning of the meeting and also when that business is voted on. If a quorum is not participating within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 10 Business Days at the same time and place. If a quorum is not present at any such adjourned meeting within 30 minutes of the time specified then those Eligible Directors present will constitute a quorum.

7 Chairing of directors' meetings

The chairman shall have a casting vote.

8 Directors' interests

8.1 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 (the "Interested Director") breaching his duty under section 175 of the Act to avoid conflicts of interest (a "Conflict").

8.2 Any authorisation under this article will be effective only if:

- (a) 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;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) 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.

8.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) 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;
- (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) 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
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

- 8.4 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.
- 8.5 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.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.7 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.8 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 8.7.
- 8.9 Subject, where applicable, to any terms and conditions imposed by the directors of the Company in general meeting in accordance with articles 8.3 and 8.6 and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;

- (b) shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- (d) may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person Connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

9 Records of decisions to be kept

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

10 Appointment of directors

The Company may by ordinary resolution appoint a person who is willing to act to be a director either to fill a vacancy or as an additional director.

11 Alternate directors

- 11.1 Any director (other than an alternate director) (in this article, the "Appointor") may appoint any person (whether or not a 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.

11.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the directors.

11.3 The notice must:

- (a) identify the proposed alternate; and
- (b) 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.

11.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

11.5 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) are not deemed to be agents of or for their Appointors,

and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a Shareholder.

11.6 A person who is an alternate director but not a director:

- (a) 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
- (b) may participate 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).

11.7 A director who is also an alternate director is entitled, in the absence of his Appointor, to a separate vote on behalf of his Appointor, in addition to his own vote on any decision of the directors (provided that his Appointor is an Eligible Director in relation to that decision).

11.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

11.9 An alternate director's appointment as an alternate terminates:

- (a) when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or
- (c) when the alternate director's Appointor ceases to be a director for whatever reason.

SHARES

12 Share Rights

The share capital of the Company shall comprise Ordinary Shares and A Shares. Save as set out in these articles, the Ordinary Shares and the A Shares shall rank pari passu as if they constituted one and the same class of share.

13 Dividends

13.1 The Ordinary Shares shall, as a class, be entitled to receive the first £70,000 of any dividend declared in each Financial Year in respect of any or all of the Shares, such amount to be paid pari passu between the holders of the Ordinary Shares. Unless the board or Company resolves otherwise in accordance with article 13.3, in the event any dividend is declared in excess of £70,000 in each Financial Year, such excess shall be paid to the holders of Shares, as if they were the same class, pro rata to the number of Shares held.

13.2 Subject to the board recommending payment of the same, any profits available for distribution which the Company may determine to distribute in respect of any Financial Year, may be paid either in respect of any class or classes of Shares to the exclusion of the other class or classes, or in respect of all classes of Shares.

- 13.3 Where a dividend is declared or paid in respect of classes of Shares, the board or the Company may, by board or ordinary resolution (respectively), differentiate between the classes as to the amount or percentage payable, but in default of such differentiation the Shares of each class shall be deemed to rank *pari passu* with the other classes of Shares in all respects as if they constituted one and the same class of share.

14 Return of Assets

- 14.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares by the Company), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:

- (a) first, in paying to the holders of the Shares in respect of each Share held the Issue Price of that Share and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Shares *pro rata* to the aggregate amounts due under this article 14.1(a) to each such Share held; and
- (b) second, in paying to the holders of the Shares the aggregate amount of any accruals and/or dividends declared pursuant to article 13 but unpaid (to be calculated down to and including the date of the return of capital and to be payable irrespective of whether such dividend would be unlawful by reason of there being insufficient profits available for distribution (within the meaning of the Act); and
- (c) thirdly, subject to article 14.2, in paying the balance to the holders of the Shares as if they were the same class, *pro rata* to the number of Shares held.

- 14.2 The A Shares shall not participate on a return of assets, other than pursuant to articles 14.1(a) and 14.1(b), unless and until the value of the assets of the Company remaining after payment of its liabilities is greater than £1,000,000, in which case the A Shares shall only participate, in the manner set out in article 14.1(c) above, in the excess over £1,000,000.

15 Exit

In the event of a Sale, the proceeds (meaning the consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise, less any fees and

expenses payable in connection with such Sale) shall as between the holders of Shares be allocated and paid to them in the manner set out in articles 14.1 and 14.2.

16 Transfer of Shares – General

16.1 The directors shall refuse to register any transfer of Shares which contravenes these articles but may not otherwise refuse to register any transfer of Shares.

16.2 To ensure that a particular transfer of Shares is permitted under these articles, the directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to give the Company any information and evidence that the directors reasonably think is necessary or relevant. If that information or evidence is not furnished to the satisfaction of the directors within 28 days after the request, the directors may refuse to register the transfer in question.

16.3 The directors may, as a condition to the registration of any transfer of Shares (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any Relevant Agreement (or similar document) in force in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 16.3, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.

17 Permitted transfers

Transfers to Privileged Relations

17.1 Any holder of Ordinary Shares may at any time and from time to time transfer, inter vivos, any of his holding of Shares to a Privileged Relation without restriction as to price or otherwise but no transfer may be made under this article 17.1 to a bankrupt, a person of unsound mind, or a minor.

Transfers to the Company

17.2 Any Shareholder may at any time transfer Shares to the Company in accordance with the Act.

17.3 The Company shall be obliged to register any transfer made pursuant to this article 17.

18 Compulsory Transfers

18.1 Subject to article 18.2, if a Compulsory Transfer Event occurs in relation to a holder of A Shares, a Transfer Notice shall be deemed to have been served on the Company at the time prescribed in article 18.3 in respect of all Compulsory Transfer Shares unless and to the extent that the holders of more than 50% of the Ordinary Shares have agreed in writing that the A Shares of a Shareholder should not be subject to a Compulsory Transfer.

18.2 Where a Compulsory Transfer Event takes place on or after the Relevant Date, in the case of a Good Leaver only, a Transfer Notice shall be deemed to have been served on the Company at the time prescribed in article 18.3 in respect of some (only) of the Compulsory Transfer Shares, such number of Compulsory Transfer Shares to be determined in writing by the holders of more than 50% of the Ordinary Shares (acting reasonably), unless such holders of Ordinary Shares have agreed in writing that the A Shares of a Shareholder should not be subject to a Compulsory Transfer.

18.3 A Transfer Notice shall be deemed to have been served under article 18.1 at 5.30pm on the first anniversary of the Compulsory Transfer Date in respect of the applicable Compulsory Transfer Shares, unless:

- (a) before that time the holders of more than 50% of the Ordinary Shares serve a written notice on the Company to the effect that the Transfer Notice should be deemed given immediately, in which case it will be deemed to have been served on:
 - (i) the date the Company received that written notice in respect of any Compulsory Transfer Shares then held by the Departing Member or his Privileged Relations; and
 - (ii) if any Compulsory Transfer Shares are acquired by the Departing Member or his Privileged Relations after the date the Company received the written notice, the date on which the Compulsory Transfer Shares were acquired; or
- (b) any Compulsory Transfer Shares were not acquired by the Departing Member or his Privileged Relations until after 5.30 pm on the first anniversary of the Compulsory Transfer Date (and no notice is given under article 18.3(a)), in which case the

Transfer Notice shall be deemed to have been served in respect of those Shares on the date they were acquired.

18.4 The Compulsory Transfer Shares shall remain Departing Member's Shares until they have been validly transferred under articles 17, 18.1 or 18.2. No transfer of any Compulsory Transfer Share may be made other than under article 17, 18.1 or 18.2.

18.5 Notwithstanding any other provision of these articles, unless the directors resolve otherwise, any Compulsory Transfer Shares shall, with effect from the Compulsory Transfer Date, automatically cease to confer upon the holder thereof:

- (a) any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares);
- (b) to receive dividends or other distributions otherwise attaching to those Shares; or
- (c) to participate in any future issue of Shares,

until such time as another person is entered in the register of members of the Company as the holder of those Compulsory Transfer Shares.

18.6 Notwithstanding any other provisions of these articles, any A Shares not subject to a Transfer Notice pursuant to article 18.2, and retained by a Shareholder shall, with effect from the date of service of a Transfer Notice in accordance with article 18.2, automatically cease to confer upon the holder thereof:

- (a) any right to receive notice of, or attend, speak or vote at, any general meeting of the Company (or at any meeting of the holders of any class of Shares) or any right to receive or vote on any written resolution of the Company (or the holders of any class of Shares); or
- (b) to participate in any future issue of Shares.

19 Pre-emption Rights

Transfer notices

19.1 Save as otherwise provided in these articles, every Shareholder who desires to transfer any Shares shall give the Company notice in writing of that desire. The Transfer Notice must state the identity of the person to whom the Shareholder wants to transfer the Shares.

19.2 Transfer Notices and Deemed Transfer Notices both constitute the Company as the Vendor's agent for the sale of the Sale Shares in one or more lots at the discretion of the directors at the Sale Price.

19.3 If:

- (a) a Shareholder gives a Transfer Notice (not being a Deemed Transfer Notice); and
- (b) a Deemed Transfer Notice is subsequently given by the same Shareholder before his Shares are transferred,

the original Transfer Notice will immediately be cancelled. Any offers made by the Company on behalf of the Vendor under that original Transfer Notice will automatically be withdrawn and will have no effect, even if accepted.

Calculation of the Sale Price

19.4 Subject to article 19.6, the Sale Price shall be the price agreed by the Vendor and the directors. If the Vendor and the directors are unable to agree a price within 21 days of the Transfer Notice being given (or being deemed to have been given) the Sale Price will instead be the price which the Independent Expert shall certify to be in his opinion an aggregate fair value of the Sale Shares ("Fair Value"). In arriving at his opinion, the Independent Expert will value the Sale Shares:

- (a) as at immediately prior to the Compulsory Transfer Date;
- (b) on a going concern basis as between a willing seller and a willing buyer;
- (c) on the assumption that the Sale Shares are capable of transfer without restriction;
- (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which the Sale Shares represent; and

- (e) taking into account the terms and value of any offer made or about to be made by a third party to obtain a Controlling Interest.

19.5 If an Independent Expert is appointed under these articles, each Shareholder will sign an engagement letter from the Independent Expert in the form agreed between that expert, the Company and the holders of more than 50% of the Shares (excluding the Sale Shares). Each Shareholder acknowledges that the engagement letter will include a waiver of claims against the Independent Expert and similar "hold harmless" provisions arising out of the expert's performance of its role. If a Shareholder fails to sign the letter, the directors may authorise some person to sign it as attorney for the Shareholder.

19.6 In the case of a Compulsory Transfer Event, the Sale Price shall be as follows:

- (a) in the case of a Good Leaver, the Fair Value; or
- (b) in the case of a Bad Leaver, the lower of the Fair Value and the original subscription price of the Sale Shares.

Right of Vendor to reject partial sales

19.7 A Transfer Notice (but not a Deemed Transfer Notice) may contain a Total Transfer Condition. A Total Transfer Condition shall be binding on the Company.

Certification of the Sale Price and right of Vendor to cancel

19.8 If the Independent Expert is asked to certify the Sale Price, his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. Unless the Shares are to be sold under a Deemed Transfer Notice, the Vendor may, by notice in writing to the Company within seven days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

19.9 The cost of obtaining the certificate shall be paid by the Company unless:

- (a) the Vendor cancels the Company's authority to sell; or
- (b) the sale is pursuant to a Deemed Transfer Notice, and the Sale Price certified by the Independent Expert is less than the price (if any) offered by the directors to the Vendor for the Sale Shares before the Independent Expert was instructed,

in which case the Vendor shall bear the cost.

Preliminary offer to the Company

19.10 Within 14 days of the Sale Price being determined, any Sale Shares being sold under a Compulsory Transfer will be offered to the Company, which may accept the offer itself, subject to article 19.11.

19.11 The Company may not accept the offer itself unless the purchase of the Shares is permitted by the Act.

19.12 If:

(a) the Company indicates that it does not wish to accept the offer under article 19.10;
or

(b) the Company does not accept the offer within 20 Business Days of it being made,

the Sale Shares concerned will immediately be offered to the holders of Shares (other than the Vendor) pursuant to articles 19.13 to 19.17 inclusive.

Offer to Shareholders

19.13 The Sale Shares (excluding any that have been taken up by the Company) will be offered to all holders of Shares (other than the Vendor):

(a) in the case of a Compulsory Transfer as soon as they become available (that is the Company has either declined an offer of Sale Shares, any period for accepting it has elapsed or it has accepted it in part); and

(b) in the case of Shares not being sold pursuant to a Compulsory Transfer, within 14 days of the Sale Price being determined.

19.14 The offer under article 19.13 shall be in writing, specifying:

(a) the number of Sale Shares on offer and the Sale Price;

(b) whether the Sale Shares are subject to a Total Transfer Condition;

(c) either:

(i) the person to whom the Vendor wants to transfer the Sale Shares; or

(ii) the fact that the sale is pursuant to a Deemed Transfer Notice

(as the case may be); and

(d) the date by which the application to purchase the Sale Shares has to be received by the Company (being a date not less than 14 days and no more than 21 days after the date of the notice).

The notice shall set out the method of allocation of the Sale Shares and shall invite each Shareholder to apply in writing to the Company for as many of the Sale Shares (if any) as that Shareholder would like to purchase.

19.15 If the total number of Sale Shares applied for by the Shareholders is equal to or less than the number of Sale Shares available, the Sale Shares shall be allocated in satisfaction of the applications received.

19.16 If the total number of Sale Shares applied for is more than the number of Sale Shares available, the directors shall allocate Sale Shares in satisfaction of each Shareholder's application for Sale Shares in accordance with the following formula (rounded down to the nearest whole number of Shares). This formula shall be applied repeatedly until there are no Sale Shares left to be allocated. Each application of the formula is an "iteration".

$$A = \frac{B}{C} \times D$$

A is the number of Sale Shares to be allocated to the relevant Shareholder in the iteration.

B is the number of Shares held by the Shareholder.

C is the number of Shares held by all Shareholders to whom the iteration is being applied.

D is the number of Sale Shares or, after the first iteration, the number of Sale Shares remaining unallocated by previous iterations.

If, in any iteration, a Shareholder would be allocated all or more than all of the Sale Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that Shareholder. That Shareholder will cease to take part in any further iterations and the excess Sale Shares will be available for allocation in the next iteration.

- 19.17 The Company shall notify the Vendor and each Shareholder who applied for Sale Shares of the number of Sale Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Sale Shares shall be completed.

Transfer procedure for pre-emptive offers

- 19.18 If the Company finds purchasers for all or any of the Sale Shares under this article 19, the Vendor shall, on receipt of the Sale Price, transfer the Sale Shares (or those Sale Shares for which the Company has found purchasers) to those purchasers. If the purchase is by the Company, the Vendor will also sign any purchase contract required under the Act (that contract containing no obligations on the Vendor other than those consistent with transferring good title to the Sale Shares). If the Vendor does not perform his obligations under this article 19.18, the Company shall:

- (a) (if so required by the persons willing to purchase the Sale Shares) receive and give a good discharge for the purchase money on behalf of the Vendor;
- (b) authorise some person to execute transfers of the Sale Shares in favour of the purchaser and the purchase contract; and
- (c) enter the name(s) of the purchaser(s) in the Company's register of Shareholders as the holder of the Sale Shares that were transferred to them.

Transfers free of pre-emption

- 19.19 If the Company does not find purchasers for all of the Sale Shares under this article 19, the Vendor may, within six months after the date of the offer by the Company to its Shareholders, sell and transfer the Sale Shares that have not been sold under this article 19 to the persons specified in the Transfer Notice (provided that any such person is not in the reasonable opinion of the directors a competitor of the Company) at a price which is no less than the Sale Price. However, if the Sale Shares were:

- (a) subject to a Total Transfer Condition, a sale may only be made of all the Sale Shares and not some of them; or

- (b) offered under a Deemed Transfer Notice, they may not be sold or transferred to any third party unless:
 - (i) the transfer is permitted under article 17; or
 - (ii) the Shareholder serves a new Transfer Notice under article 19.1.

Effect of non-compliance

19.20 Any purported transfer of Shares which is not in accordance with these articles is void.

20 Tag Along

20.1 If at any time one or more Shareholders, ("**Proposed Sellers**") propose to sell to any person ("**Proposed Buyer**"), in one or a series of related transactions, such number of Shares which when registered would result in that Proposed Buyer (together with persons connected or acting in concert with the Proposed Buyer) holding or increasing its holding to 50% or more of the issued equity share capital of the Company ("**Proposed Sale**"), the Proposed Sellers shall give written notice ("**Tag Along Notice**") to the other holders of Shares of the Proposed Sale at least 10 Business Days prior to the proposed date of completion thereof.

20.2 The Tag Along Notice must specify:

- (a) the details of the Proposed Buyer;
- (b) subject to article 20.4, the sale price for each Share and other consideration (if any) to be received (directly or indirectly) by the Proposed Sellers;
- (c) how the relevant offeree shall respond (in writing) to the Proposed Buyer, stating that it wishes to accept the Proposed Buyer's offer;
- (d) any other material terms upon which the Shares are to be purchased.

20.3 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally offered to buy all the other issued Shares (other than any Shares already owned by the Proposed Buyer or persons connected or acting in concert with the Proposed Buyer) on the same terms and conditions as apply to the Proposed Sale. Such offer shall remain open for acceptance for not less than 21 days.

- 20.4 For the purposes of this article 20, the sale price for each Share shall be the same (and due at the same time, as that offered, given, paid or payable by, due or from, the Proposed Buyer in respect of Shares held by the Proposed Sellers (in cash or otherwise) and, if applicable, may include a commensurate cash alternative for any part of the consideration payable to the Proposed Sellers which would otherwise not have been paid in cash.

21 Drag Along

- 21.1 If the Sellers wish to transfer the Sellers' Shares on an at arm's length price to a Buyer, the Sellers shall have the option to require all the Called Shareholders to sell and transfer all their Shares to the Buyer (or as the Buyer shall direct) in accordance with articles 21.2 to 21.8 (inclusive) ("**Proposed Transfer**").

- 21.2 The Sellers may exercise the Drag Along Option by giving written notice to that effect at any time before the transfer of the Sellers' Shares to the Buyer. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Called Shares under article 20.1;
- (b) the details of the Buyer;
- (c) the consideration for which the Called Shares are to be transferred (calculated in accordance with article 21.4); and
- (d) the proposed date of transfer.

- 21.3 Drag Along Notices shall be irrevocable but will lapse if the Sellers' Shares are not sold to the Buyer within 60 days after the date the Drag Along Notice was served. The Sellers may serve further Drag Along Notices if any particular Drag Along Notice lapses.

- 21.4 The form (in cash or otherwise) and amount of the consideration payable for each Called Share shall be:

- (a) the consideration to be paid by the Buyer for each Share held by the Sellers (excluding any consideration attributable to accruals or arrears of dividends) (the "**Offer Consideration**"); or

- (b) where the Offer Consideration includes a commensurate cash alternative for any part of the consideration that would otherwise not have been payable in cash, such cash consideration as shall be certified by the Company's accountants as not being less favourable than the Offer Consideration.
- 21.5 The sale of the Called Shares shall be completed on the date proposed for completion of the sale of the Seller's Shares unless the holders of at least 50% of the Called Shares and the Sellers agree otherwise.
- 21.6 The restrictions on transfer set out in articles 16 and 19 shall not apply to any transfer of Shares to a Buyer (or as he may direct) pursuant to the exercise of the Drag Along Option.
- 21.7 If any holder of Called Shares does not, within five Business Days of being required to do so, execute and deliver transfers in respect of all his Called Shares and deliver the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof), then that holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Sellers to be his agent and attorney to:
 - (a) execute all necessary transfers and indemnities on the Called Shareholder's behalf; and
 - (b) against receipt by the Company (on trust for the holder) of the purchase monies or any other consideration payable for the Called Shares, deliver those transfers to the Buyer (or as he may direct).
- 21.8 On completion of the sale of the Called Shares, the directors shall (subject only to stamping any stock transfer forms, if required) immediately register the Buyer (or as he may direct) as the holder of the Called Shares and, after the Buyer (or his nominee) has been registered as the holder, the validity of those proceedings shall not be questioned by any person.
- 21.9 If any person becomes a Shareholder of the Company (a "New Shareholder") pursuant to the exercise of a pre-existing option or other right to acquire Shares after a Drag Along Notice has been served, the New Shareholder will be bound to sell and transfer all Shares acquired by him to the Buyer or as the Buyer may direct. The provisions of articles 20.1 to 21.8 (inclusive) shall apply (with the necessary changes) to the New Shareholder, save that if the Shares are acquired after the sale of the Called Shares has been completed, completion

of the sale of the New Shareholder's Shares shall take place immediately on the New Shareholder acquiring the Shares.

21.10 In this article 21 only:

'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the renounce under such a letter of allotment; and

'Shares' shall include bearer shares, warrants, depository receipts and any other security or instrument into which shares may be converted with a view to a sale.

Primacy of article

21.11 All other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to this article 21.

22 Quorum for General Meetings

22.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.

22.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

23 Chairing General Meetings

23.1 The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the board of directors shall nominate a director to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

24 Voting

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

25 Poll Votes

- 25.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 25.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

26 Proxies

- 26.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".
- 26.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

27 Means of communication to be used

- 27.1 Subject to article 27.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) If properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
 - (b) If properly addressed and delivered by hand, when it was given or left at the appropriate address;

- (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.
- 27.2 Any notice, document or other information served on, or delivered to, an intended recipient under article 17, article 18, article 19 or article 20 (as the case may be) may not be served or delivered in electronic form (other than by fax), or by means of a website.
- 27.3 In proving that any notice, document or information was properly addressed, it shall be sufficient to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

28 Data protection

- 28.1 Each of the Shareholders and directors consent to the processing of their personal data by the Company, the Shareholders and directors (each a "Recipient") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a member of the same Group ("Recipient Group Companies") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies. Each of the Shareholders and directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

29 Indemnity and Insurance

- 29.1 Subject to article 29.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

(i) In the actual or purported execution and/or discharge of his duties, or in relation to them;

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

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

(b) 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 29.1(a) and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

29.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

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

29.4 In this article:

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

- (b) a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund or employees' share scheme of the Company.