

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

ALLIANCE FOR RESPONSIBLE CITIZENSHIP LIMITED

Company No 10519995

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COMPANY NO. 10519995  
THE COMPANIES ACT 2006  
PRIVATE COMPANY LIMITED BY SHARES  
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OF  
ALLIANCE FOR RESPONSIBLE CITIZENSHIP LIMITED  
(Adopted by special resolution passed on 10<sup>th</sup> February 2023)

Introduction

1. Interpretation

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

Appointor: has the meaning given in article 12.1;

Articles: the Company's articles of association for the time being in force;

Board: the board of directors of the Company as constituted from time to time;

Business Day: a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

CA 2006: the Companies Act 2006;

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provisions of these Articles;

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

Eligible Shareholder Appointed Director: a Shareholder Appointed Director who would be entitled to vote on the matter at a meeting of the Board (but excluding any Shareholder Appointed Director whose vote is not to be counted in respect of the particular matter);

Encumbrance: any interest or equity of any person (including any right to acquire, option or right of pre-emption) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement;

Fair Value: in relation to shares, as determined in accordance with article 18;

Founding Director: a director who is in office on the date of adoption of these Articles;

Group: in relation to a company, that company, any subsidiary or holding company from time to time of that company, and any subsidiary from time to time of a holding company of that company. Each company in a Group is a member of the Group. Unless the context otherwise requires, the application of the definition of Group to a company at any time will apply to the company as it is at that time;

Interested Director: has the meaning given in article 9.1;

Model Articles: 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 and reference to a numbered Model Article is a reference to that article of the Model Articles;

Original Shareholder: a shareholder who holds shares in the Company on the date of adoption of these Articles;

Permitted Group: in relation to a company, any wholly owned subsidiary of that company, any company of which it is a subsidiary (its holding company) and any other subsidiaries of any such holding company; and each company in a Permitted Group is a member of the Permitted Group. Unless the context otherwise requires, the application of the definition of Permitted Group to a company at any time will apply to the company as it is at that time;

Permitted Transfer: a transfer of shares made in accordance with article 16;

Permitted Transferee: in relation to a shareholder, any member of the same Permitted Group as that shareholder;

Prohibited Event: one or more of the following:

- (a) that person ceases to be a director by virtue of any provision of the CA 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person or a composition is made with that person's creditors generally in satisfaction of that person's debts;
- (c) that person is guilty of any gross or wilful misconduct affecting the Company;
- (d) that person is convicted of any criminal offence (other than an offence under any road traffic legislation in the UK or elsewhere for which a fine or non-custodial penalty is imposed);
- (e) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months;

Proposed Sale Price: has the meaning given in article 15.1;

Respective Proportion: in relation to shareholder, the proportion which the number of shares held by that shareholder bears to the total number of issued shares in the Company;

Sale Shares: has the meaning given in article 15.1;

Seller: has the meaning given in article 15.1;

Shareholder Appointed Director: a director, appointed by an Original Shareholder, pursuant to article 11;

Transfer Notice: has the meaning given in article 15.1;

Transfer Price: has the meaning given in article 15.4;

Valuer: a member of an independent firm of chartered accountants of international repute appointed by the Board in accordance with article 18, who has no direct or indirect association or connection with any of the shareholders or potential buyer of any shares or asset or any direct or indirect interest in the transaction in respect of which a valuation is sought;

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 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 CA 2006 shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles. A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.4 Unless expressly provided otherwise, a reference to any legislation or legislative provision is a reference to it as amended, extended or re-enacted from time to time. A reference to any legislation or legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.5 A reference to a holding company or a subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the CA 2006 and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), by way of security or in connection with the taking of security; or (b) its nominee.
- 1.6 Any words following the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.

## 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 Model Articles 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 18, 22(2), 26(1) and (5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## Directors

### 3. Directors' meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it.
- 3.4 Each director has one vote at a meeting of directors.
- 3.5 If at any time before or at any meeting of the directors or of any committee of the directors any of the Shareholder Appointed Directors 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.

- 3.6 Each Original Shareholder shall be entitled to appoint a member to any committee of the directors.

#### 4. Unanimous decisions of directors

- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Shareholder Appointed Directors indicate to each other by any means that they share a common view on a matter.

- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Shareholder Appointed Director has signed one or more copies of it, or to which each Eligible Shareholder Appointed Director has otherwise indicated agreement in writing.

- 4.3 A decision may not be taken in accordance with this article if the Eligible Shareholder Appointed Directors would not have formed a quorum at a directors' meeting to vote on the matter.

#### 5. Number of directors

The number of directors shall not be less than two and no more than eight. No shareholding qualification for directors shall be required.

#### 6. Calling a directors' meeting

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

- 6.2 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.

- 6.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless each of the Shareholder Appointed Directors agrees in writing.

#### 7. Quorum for directors' meetings

- 7.1 The quorum at any meeting of directors (including adjourned meetings) is each of the Eligible Shareholder Appointed Directors (or such Eligible Shareholder Appointed Director's alternate).

- 7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 7.3 If a quorum is not present 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.
8. Chairing of directors' meetings
- 8.1 If the chairperson for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed the chairperson shall be entitled to appoint another director to act as chair at the meeting. The chairperson shall not have a casting vote.
9. Directors' interests
- 9.1 For the purposes of section 175 of the CA 2006, the shareholders (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any Conflict proposed to them by any director which would, if not so authorised, involve a director (the Interested Director) breaching their duty under section 175 of the CA 2006 to avoid conflicts of interest.
- 9.2 The Interested Director must provide the shareholders with such details as are necessary for the shareholders to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the shareholders.
- 9.3 Any authorisation by the shareholders 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 shareholders think fit;
  - (e) provide that, where the Interested Director obtains, or has obtained (through the Interested Director's involvement in the Conflict and otherwise than through their position as a director of the Company) information that is confidential to a third party, the Interested Director 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 themselves 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.

9.4 Where the shareholders authorise a Conflict:

- (a) the Interested Director will be obliged to conduct themselves in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict; and
- (b) the Interested Director will not infringe any duty they owe to the Company by virtue of sections 171 to 177 of the CA 2006, provided they act in accordance with such terms and conditions (if any) as the shareholders impose in respect of their authorisation.

9.5 The shareholders may revoke or vary such authorisation at any time but this will not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.

9.6 A director, notwithstanding the director's office, may be a director or other officer if, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed them as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 9.1 shall be necessary in respect of any such interest.

9.7 Each Shareholder Appointed Director shall be entitled from time to time to disclose to the shareholder who appointed them as a director of the Company, such information concerning the business and affairs of the Company as such Shareholder Appointed Director shall, at their discretion, see fit.

9.8 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 the director derives from or in connection with a relationship involving a Conflict which has been authorised by the shareholders in accordance with these Articles (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

9.9 Subject to sections 177(5) and 177(6) of the CA 2006, 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 the director's interest to the other directors before the Company enters into the transaction or arrangement in accordance with the CA 2006.

9.10 Subject to sections 182(5) and 182(6) of the CA 2006, 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 the director's interest to the other directors as

soon as is reasonably practicable in accordance with the CA 2006, unless the interest has already been declared under article 9.9.

9.11 Subject, where applicable, to any terms, limits or conditions imposed by the shareholders in accordance with article 9.3, and provided a director has declared the nature and extent of their interest in accordance with the requirements of the CA 2006, 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 the relevant director is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of directors) or to participate in any unanimous decision in respect of such transaction or arrangement or proposed transaction or arrangement in which the relevant director is interested;
- (d) may act by themselves or their firm in a professional capacity for the Company (otherwise than as auditor) and they or their firm shall be entitled to remuneration for professional services as if they 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 the relevant director may otherwise agree, be accountable to the Company for any benefit which they (or a person connected with them (as defined in section 252 of the CA 2006)) 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 their duty under section 176 of the CA 2006.

10. 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 a form that enables the Company to retain a copy of such decisions.

11. Appointment and removal of directors

11.1 Each Original Shareholder shall be entitled to appoint one person to be a director of the Company.

- 11.2 Each Shareholder Appointed Director may at any time be removed from office by the Original Shareholder who appointed such director. Any director who is an employee of the Company and who ceases to be an employee shall be removed from office from the date their employment ceases.
- 11.3 If any Shareholder Appointed Director shall die or be removed from or vacate office for any cause, the Original Shareholder who appointed such director shall appoint in the relevant director's place another person to be its Shareholder Appointed Director, save that this article shall not apply in the event of the death of any Shareholder Appointed Director who is an Original Shareholder.
- 11.4 Any appointment or removal of a Shareholder Appointed Director shall be in writing and signed by or on behalf of the relevant Original Shareholder and served on each of the other shareholders and the Company at its registered office, or delivered to a duly constituted meeting of the directors of the Company and on the director, in the case of the director's removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.
- 11.5 No Shareholder Appointed Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.
- 11.6 No Founding Director shall be removed, other than if a Prohibited Event has occurred in respect of that Founding Director.
- 11.7 In the case of any resolution proposed to remove a Shareholder Approved Director, whether under section 168 of the CA 2006 or otherwise, the shareholder who appointed such Shareholder Approved Director voting against such resolution shall be entitled to cast such number of votes as is necessary to defeat the resolution. Any resolution proposed as a written resolution in relation to any of the matters listed in this article shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution.
- 11.8 Subject to article 11.6, a person ceases to be a director as soon as:
- (a) a majority of the other directors resolve that such person shall cease to be a director;
  - (b) a Prohibited Event occurs in respect of that person;
  - (c) such person dies;
  - (d) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms.
12. Alternate directors
- 12.1 Any director (other than an alternate director) (the Appointor) may appoint any person (whether or not a director), to be an alternate director to exercise the Appointor's powers, and carry out the

Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "Shareholder Appointed Director" shall include an alternate director appointed by the Original Shareholder who appointed such Shareholder Appointed Director.

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

12.3 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 they are willing to act as the alternate of the director giving the notice.

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

12.5 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 all meetings of committees of directors of which the alternate's Appointer is a member.

12.6 A person who is an alternate director but not a director may, subject to the person being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and
- (b) participate in a unanimous decision of the directors (but only if that person's Appointor is an Eligible Director in relation to that decision, and does not themselves participate).

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

- 12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if the alternate was a director but shall not be entitled to receive from the Company any remuneration in the alternate's 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.
- 12.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:
- (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
  - (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

### 13. Share capital

- 13.1 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the CA 2006.

### 14. Share transfers: general

- 14.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or Encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 14.2 No shareholder shall transfer any share except:
- (a) a shareholder may transfer all (but not some only) of their shares in the Company for cash in accordance with the procedure set out in article 15; or
  - (b) in accordance with article 16; or
  - (c) in accordance with article 17.
- 14.3 Subject to article 14.4, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 14.4 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006. If any such

condition is imposed in accordance with this article 14.4, the transfer may not be registered unless the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.

14.5 Any transfer of shares by way of a sale under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

15. Pre-emption rights on the transfer of shares

15.1 Except where the provisions of article 16 or article 17 apply, a shareholder (Seller) wishing to transfer their shares (Sale Shares) must give notice in writing (a Transfer Notice) to the other shareholders (the Continuing Shareholders) and the Company giving details of the proposed transfer including:

- (a) if the Seller wishes to sell the Sale Shares to a third party, the name and identity of the proposed buyer; and
- (b) the price (in cash) at which the Seller proposes to sell the Sale Shares to such buyer (Proposed Sale Price).

15.2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

15.3 If an Original Shareholder serves a Transfer Notice under article 15.1, or is deemed to have served a Transfer Notice under article 17, any Permitted Transferee of that Original Shareholder to whom shares have been transferred in accordance with article 16.1 is also deemed to have served a Transfer Notice in respect of all their shares on the same date as the Original Shareholder's Transfer Notice is served or is deemed to have been served (in the case of a Deemed Transfer Notice).

15.4 The price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the Fair Value of each Sale Share determined in accordance with article 18 (the Transfer Price). The Transfer Price for each Sale Share of a Permitted Transferee the subject of a Deemed Transfer Notice under article 15.3 shall be the same as the Transfer Price for each Sale Share of the Original Shareholder.

15.5 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice, each of the Continuing Shareholders shall be entitled (but not obliged) to give notice in writing to the Seller stating that it wishes to purchase its Respective Proportion of the Sale Shares at the Transfer Price (Purchase Notice).

15.6 Each Continuing Shareholder who gives a Purchase Notice to the Seller is bound to buy all of their Respective Proportion of the Sale Shares at the Transfer Price in accordance with the remaining provisions of this article 15.

- 15.7 If, at the expiry of the period specified in article 15.5:
- (a) neither Continuing Shareholder has given a Purchase Notice to the Seller, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice at a price not less than the Proposed Sale Price provided that it does so within three months of the expiry of the period specified in article 15.5; or
  - (b) only one of the Continuing Shareholders has given a Purchase Notice to the Seller, the Seller shall, within 5 Business Days thereof, notify such Continuing Shareholder (the Buying Shareholder) that the other Continuing Shareholder has not given a Purchase Notice to the Seller and within 20 Business Days of receipt (or deemed receipt) of such notice (the Second Offer Period), the Buying Shareholder shall be entitled (but not obliged) to give notice in writing to the Seller stating that it wishes to purchase the remaining Sale Shares at the Transfer Price (Second Purchase Notice).
- 15.8 If, at the expiry of the Second Offer Period, the Buying Shareholder has not given a Second Purchase Notice to the Seller, the Seller may transfer the remaining Sale Shares (but not the Buying Shareholder's Respective Proportion of the Sale Shares) to the buyer identified in the Transfer Notice at a price not less than the Proposed Sale Price provided that it does so within three months of the expiry of the Second Offer Period.
- 15.9 If prior to the expiry of the Second Offer Period, the Buying Shareholder has given a Second Purchase Notice to the Seller, the Buying Shareholder is bound to buy all of the remaining Sale Shares (in addition to its Respective Proportion of the Sale Shares) at the Transfer Price in accordance with the remaining provisions of this article 15.
- 15.10 The directors shall, when no further Purchase Notices or Second Purchase Notices can be given, give notice in writing of the allocations of Sale Shares (an Allocation Notice) to the Seller and each Continuing Shareholder by whom Sale Shares are to be purchased (each an Applicant). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 15.11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof).
- 15.12 If the Seller fails to comply with article 15.11:
- (a) the chairperson (or, failing the chairperson, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller:
    - (i) complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;

- (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
  - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered the certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

## 16. Permitted Transfers

- 16.1 An Original Shareholder may transfer all (but not some only) of its shares in the Company to any of the Original Shareholder's Permitted Transferees without being required to follow the steps set out in article 15.
- 16.2 Any shareholder holding shares as a result of a Permitted Transfer made by an Original Shareholder in accordance with this article 16 may, at any time, transfer all (but not some only) of their shares back to that Original Shareholder or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 15.
- 16.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a member of the Permitted Group transfer all of the shares in the Company held by it to:
- (a) the shareholder from whom it received those shares; or
  - (b) another Permitted Transferee of that shareholder,

(which in either case is not in liquidation). If the Permitted Transferee fails to make a transfer in accordance with this article 16.3, the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the relevant shareholder as the holder of such shares.

## 17. Compulsory transfers

- 17.1 A shareholder is deemed to have served a Transfer Notice under article 15.1 immediately before any of the following events:
- (a) in the case of a shareholder that is a company or other corporate entity:
    - (i) the passing of a resolution for the liquidation of such shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation of all or part of the relevant shareholder's Group in which a new company assumes (and is capable of assuming) all the obligations of such shareholder, provided



that such reconstruction or amalgamation does not result in a transfer of such shareholder's shares in the Company to any person other than a Permitted Transferee; or

- (ii) a change of control (as control is defined in section 1124 of the Corporation Tax Act 2010) of such shareholder, although in the case of a Permitted Transferee that ceases to be a member of the Permitted Group, it shall transfer the shares back to the shareholder from whom it received those shares or to another Permitted Transferee of such shareholder in accordance with article 16.3 rather than being deemed to have served a Transfer Notice under this article 17.1; or
  - (iii) the issue at court by any competent person of a notice of intention to appoint an administrator to such shareholder, a notice of appointment of an administrator to the shareholder or an application for an administration order in respect of the shareholder; or
  - (iv) any step being taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of such shareholder; or
  - (v) such shareholder being unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or
  - (vi) in relation to any of the events set out in this article 17.1(a), any competent person taking any analogous step in any jurisdiction in which the shareholder carries on business;
- (b) in the case of a shareholder who is an individual:
- (i) such shareholder's death;
  - (ii) a bankruptcy petition being presented for such shareholder's bankruptcy, or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
  - (iii) such shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or his shareholding; or
- (c) the shareholder ceasing to carry on its or his business or substantially all of its or his business.

17.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuer in accordance with article 18;

- (b) the Seller does not have the right to sell the Sale Shares to a third party and, unless the Continuing Shareholders otherwise agree in writing, if the Continuing Shareholders have not given a Purchase Notice in respect of their Respective Proportions or, as the case may be, the Buying Shareholder has not given a Purchase Notice in respect of its Respective Proportion and a Second Purchase Notice in respect of the remaining Sale Shares, the Company shall be wound up immediately.

## 18. Valuation

- 18.1 If a Valuer is to be appointed to determine the Fair Value of any Sale Shares in accordance with these Articles, the Board shall use all reasonable endeavours to reach agreement regarding the identity of the person to be appointed as the Valuer and to agree the terms of appointment with the Valuer.
- 18.2 If the Board fails to agree on a Valuer and their terms of appointment at the relevant meeting of directors, then any of the shareholders shall be entitled to request The Institute of Chartered Accountants in England and Wales to appoint the Valuer and to agree their terms of appointment on behalf of the shareholders.
- 18.3 The Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the parties in writing of their determination.
- 18.4 The Fair Value for any Sale Share shall be the price per share determined by the Valuer on the following bases and assumptions:
  - (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - (d) the Sale Shares are sold free of all Encumbrances; and
  - (e) the sale is taking place on the date the Valuer was requested to determine the Fair Value.
- 18.5 The shareholders are entitled to make submissions to the Valuer and will provide (or procure that the Company provides) the Valuer with such assistance and documents as the Valuer reasonably requires for the purpose of reaching a decision, subject to the Valuer agreeing to give such confidentiality undertakings as the shareholders may reasonably require.

- 18.6 To the extent not provided for by this article 18, the Valuer may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 18.7 The Valuer shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 18.8 Each party shall bear its own costs in relation to the reference to the Valuer. The Valuer's fees and costs properly incurred by them in arriving at their valuation (including any fees and costs of any advisers appointed by the Valuer) shall be borne by the shareholders equally.
19. Pre-emption on issue of shares
- 19.1 In accordance with section 567(1) of CA 2006, sections 561 and 562 of CA 2006 shall not apply to an allotment of equity securities (as defined in section 560(1) of CA 2006) made by the Company.
- 19.2 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities, those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:
- (a) shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and
  - (b) may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which it is entitled shall, in its acceptance, state the number of excess equity securities (Excess Securities) for which he wishes to subscribe.
- 19.3 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with article 19.2 shall be used for satisfying any requests for Excess Securities made pursuant to article 19.2. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with article 19.2 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by it). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

- 19.4 Subject to articles 19.2 and 19.3 and to section 551 of CA 2006, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.
20. Quorum for general meetings
- 20.1 The quorum at any general meeting of the Company, including an adjourned general meeting, shall be each of the Original Shareholders, present in person or by proxy.
- 20.2 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.
21. Chairing general meetings
- 21.1 The chairperson of the board of directors shall chair general meetings. If the chairperson is unable to attend any general meeting, the shareholder who appointed the chairperson shall be entitled to appoint another person present at the meeting to act as chair at the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.
22. 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 themselves 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 they are the holder; and on a vote on a written resolution every shareholder has one vote for each share of which they are the holder.
23. Poll votes
- 23.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting.
- 23.2 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 article.
24. Proxies
- 24.1 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 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".

- 24.2 Model Article 45(1) 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

#### 25. Means of communication to be used

- 25.1 Subject to article 25.2, any notice, document or other information shall be deemed received by the intended recipient:

- (a) if delivered by hand, at the time the notice, document or other information is left at the address;
- (b) if sent by pre-paid first class post or other next working day delivery service, at 9.00 am on the second Business Day after posting;
- (c) if sent by pre-paid airmail, at 9.00 am on the fifth Business Day after posting; or
- (d) if sent by email, at the time of transmission.

- 25.2 If deemed receipt under article 25.1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, Usual Business Hours means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information (which, in the case of service by email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).

- 25.3 To prove service, it is sufficient to prove that:

- (a) if delivered by hand, the notice was delivered to the correct address;
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; and
- (c) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

- 25.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

#### 26. Indemnity and insurance

- 26.1 Subject to article 26.2, 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 that person as a relevant officer:
  - (i) in the actual or purported execution and/or discharge of the relevant officer's duties, or in relation to them; and
  - (ii) in relation to the Company's activities as a trustee of an occupational pension scheme (as defined in section 235(6) of the CA 2006) (if any),

including (in each case) any liability incurred by the relevant officer in defending any civil or criminal proceedings, in which judgment is given in the relevant officer's favour or in which the relevant officer is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on the relevant officer's part or in connection with any application in which the court grants them, in their 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 the relevant officer in connection with any proceedings or application referred to in article 26.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

26.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law and any such indemnity is limited accordingly.

26.3 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.

26.4 In this article:

- (a) a "relevant officer" means any director or other officer or former director or other officer of the Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the CA 2006), but excluding in each case any person engaged by the Company as auditor (whether or not that person is also a director or other officer), to the extent the person acts in their 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 of the Company.