

COMPANY NO. 10559621
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
ASHLING FARMS LIMITED

(Adopted by special resolution passed on: 24 August 2020)

INTRODUCTION

1. INTERPRETATION

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

A Share: an ordinary share of £1.00 in the capital of the Company designated as an A Share;

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

Available Profits: the profits available for distribution with the meaning of part 23 of the CA 2006;

B Share: an ordinary share of £1.00 in the capital of the Company designated as a B Share;

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

C Share: an ordinary share of £1.00 in the capital of the Company designated as a C Share;

CA 2006: the Companies Act 2006;

D Share: an ordinary share of £1.00 in the capital of the Company designated as a D Share;

Fair Value: in relation to shares, means net asset value of the shares, as determined in accordance with article 10;

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;

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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 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;

Permitted Transfer: a transfer of shares made in accordance with article 9;

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

Redeemable Preference Share: a share of £1.00 each in the capital of the Company designated as a redeemable preference share;

Statutes: the CA 2006 and every other statute or subordinate legislation for the time being in force concerning companies and affecting the Company;

Transfer Notice: a notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares;

Valuers: an independent firm of accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 20 Business Days of a shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator);

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, save that, for the purposes of article 8 to article 10 "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 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.
- 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 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.
- 1.6 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 Any words following the terms **including, include, in particular, for example** 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.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

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 11, 14, 15, 22(1), 26(5), 27 to 29 (inclusive) and 36 shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur".

DIRECTORS

3. QUORUM FOR DIRECTORS' MEETINGS

- 3.1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- 3.2 The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two, save for if the Company has a sole director in which case the quorum for a directors' meeting shall automatically be one and the sole director may take decisions in accordance with Model Article 7(2).
- 3.3 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 Two Business Days at the same time and place. If a quorum is not present at any

such adjourned meeting within 30 minutes of the time specified, then those directors present will constitute a quorum.

4. DIRECTORS' INTERESTS

4.1 If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.

4.2 But if article 4.3 applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.

4.3 This paragraph applies when-

- (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
- (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (c) the director's conflict of interest arises from a permitted cause.

4.4 For the purposes of this article, the following are permitted causes-

- (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
- (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
- (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.

4.5 For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.

4.6 Subject to article 4.7, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.

- 4.7 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

5. 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.

SHARES

6. SHARE CAPITAL

- 6.1 Except as otherwise provided in these Articles, the A Shares, B Shares, C Shares and D Shares shall rank pari passu in all respects but shall constitute separate classes of shares.

Redeemable Preference Shares

- 6.2 The Redeemable Preference Shares shall be a separate class of shares to the A Shares, B Shares, C Shares and D Shares.
- 6.3 A holder of Redeemable Preference Shares shall be entitled to dividends in accordance with the provisions of article 12.
- 6.4 The holders of the Redeemable Preference Shares shall have the right to receive notice of all general meetings of the Company but shall not have the right to attend, speak or vote at a general meeting of the Company except in respect of any resolution to vary the special rights attached to the Redeemable Preference Shares or where required in accordance with the provisions of articles 6.6, 7.2 or 8.7.
- 6.5 The Redeemable Preference Shares shall be redeemed in accordance with article 11.

General

- 6.6 Except with unanimous agreement of all the shareholders, which for the avoidance of doubt shall include the holders of Redeemable Preference Shares, no share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class, or in accordance with article 6.7.
- 6.7 A new class of shares in the Company may only be created through written consent of all of the shareholders in existence from time to time, which for the avoidance of doubt shall include the holders of Redeemable Preference Shares. The new class of

shares shall rank *pari passu* in all respects with the A Shares, B Shares, C Shares and D Shares but shall constitute a separate class of shares. Article 6.6 shall not apply to the new class of shares on the initial issue of shares of that class at its creation, however, following the initial issue, article 6.6 shall apply to any further issues of shares of the new class.

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

- (a) a share transferred to a non-shareholder who has never been a shareholder of the Company shall remain of the same class as before the transfer;
- (b) a share transferred to a current shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder; and
- (c) a share transferred to a past shareholder of the Company who is not a current shareholder shall automatically be redesignated on transfer as a share of the same class as those shares previously held by the past shareholder.

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

6.9 Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

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

- (a) any alteration in the Articles; and
- (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital.

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

7. SHARE TRANSFERS: GENERAL

- 7.1 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.
- 7.2 No share shall be transferred unless the transfer is made in accordance with these Articles or with the prior written consent of all shareholders, which for the avoidance of doubt shall include the holders of Redeemable Preference Shares, for the time being.
- 7.3 Subject to article 7.4, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 7.4 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 execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 7.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 7.5 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.
- 7.6 Any transfer of shares by way of a sale that is required to be made under article 8 or article 9 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

8. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 8.1 In this Article, 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.
- 8.2 Except where the provisions of Article 9 apply, any transfer of shares by a shareholder shall be subject to the pre-emption rights in this Article.
- 8.3 A shareholder (**Seller**) wishing to transfer its shares (**Sale Shares**) must give notice in writing (a **Transfer Notice**) to the Company giving details of the proposed transfer including:
- (a) the number of Sale Shares;
 - (b) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer;
 - (c) the price (in cash) at which the Seller wishes to sell the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (**Transfer Price**)); and
 - (d) whether the Transfer Notice is conditional on all, or a specific number of, the Sale Shares being sold to shareholders (**Minimum Transfer Condition**).
- 8.4 Once given (or deemed to have been given) under these Articles, a Transfer Notice may not be withdrawn.
- 8.5 A 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.
- 8.6 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article at the lower of a) Transfer Price; or b) Fair Value. Each offer shall be in writing and give details of the number and price of the Sale Shares offered.
- 8.7 The Board shall offer the Sale Shares to all shareholders, which for the avoidance of doubt shall include the holders of Redeemable Preference Shares, other than the Seller (the **Continuing Shareholders**), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 8.8 If the Sale Shares are subject to a Minimum Transfer Condition, any allocation made under article 8.9 to article 8.12 shall be conditional on the fulfilment of the Minimum Transfer Condition.

8.9 If:

- (a) at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which the Continuing Shareholder's existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case the allocation of any such fractional entitlements among the Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy.
- (b) not all Sale Shares are allocated following allocations in accordance with article 8.9(a), but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in article 8.9(a). The procedure set out in this article 8.9(b) shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article 8.10.

8.10 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares (if any) to all the Continuing Shareholders, inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Second Offer Period**) for the maximum number of Initial Surplus Shares they wish to buy.

8.11 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Continuing Shareholder who has applied for Initial Surplus Shares in the proportion that the Continuing Shareholder's existing holding of shares (including any Sale Shares) bears to the total number of shares (including any Sale Shares) held by those Continuing Shareholders who have applied for Initial Surplus Shares during the Second Offer Period. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Continuing Shareholders shall be determined by the

Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Initial Surplus Shares which it has stated it is willing to buy.

8.12 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) shall be dealt with in accordance with article 8.17.

8.13 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Sale Shares applied for is less than the number of Sale Shares specified in the Minimum Transfer Condition, the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under article 8.9 to article 8.12, stating that the Minimum Transfer Condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

8.14 If:

- (a) the Transfer Notice includes a Minimum Transfer Condition and such Minimum Transfer Condition has been satisfied, or the Transfer Notice does not include a Minimum Transfer Condition; and
- (b) allocations under article 8.9 to article 8.12 have been made in respect of some or all of the Sale Shares,

the Board shall give written notice of allocation (an **Allocation Notice**) to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant, the amount payable by each Applicant for the number of Sale Shares allocated to them (**Consideration**) and the place and time for completion of the transfer of the Sale Shares (which shall be at least 3 Business Days, but not more than 10 Business Days, after the date of the Allocation Notice).

8.15 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.

8.16 If the Seller fails to comply with article 8.15:

- (a) the chairperson of the Company (or, failing the chairperson, one of the other directors, or some other person nominated by a resolution of the Board) 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 Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and
 - (b) the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered its certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, 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.
- 8.17 If an Allocation Notice does not relate to all of the Sale Shares or the Transfer Notice lapses pursuant to article 8.13 then, subject to article 8.18 and within four weeks following service of the Allocation Notice or the date of the lapse of the Transfer Notice (as the case may be), the Seller may transfer the Second Surplus Shares or the Sale Shares (in the case of a lapsed offer) (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 8.17 shall continue to be subject to any Minimum Transfer Condition.
- 8.18 The Seller's right to transfer Sale Shares under article 8.17 does not apply if the Board reasonably considers that:
- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company; or
 - (b) the sale of the Sale Shares is not bona fide, or the price is subject to a deduction, rebate or allowance to the transferee; or
 - (c) the Seller has failed or refused to provide promptly information available to the Seller and reasonably requested by the Board to enable it to form the opinion mentioned above.
- 8.19 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Sale Shares with the consent of shareholders who, but for the waiver, would or might have been entitled to have such Sale Shares offered to them in accordance with this Article.
- 9. PERMITTED TRANSFERS**
- 9.1 An Original Shareholder may at any time transfer all (but not some only) of its shares in the Company to a Permitted Transferee without being required to follow the steps set out in article 8.

9.2 A shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles by an Original Shareholder under the provisions of this article 9 may at any time transfer all (but not some only) of its shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 8.

9.3 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 Original Shareholder from whom it received those shares; or
- (b) another Permitted Transferee of that Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 9.3, the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such shares.

10. VALUATION

10.1 As soon as practicable after deemed service of a Transfer Notice under article 8.3, the shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares.

10.2 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the shareholders in writing of their determination.

10.3 The Fair Value for any Sale Share shall be the price per share determined by the Valuers on the following bases and assumptions:

- (a) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
- (b) the sale is to be on arms' length terms between a willing seller and a willing buyer;
- (c) the Sale Shares are sold free of all encumbrances;
- (d) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
- (e) to take account of any other factors that the Valuers reasonably believe should be taken into account.

10.4 The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.

- 10.5 To the extent not provided for by this article 10, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 10.6 The Valuers 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.
- 10.7 Each shareholder shall bear its own costs in relation to the reference to the Valuers. The Valuers' fees and costs properly incurred by them in arriving at their valuation (including any fees and costs of any advisers appointed by the Valuers) shall be borne by the shareholders in the proportion which the number of shares held by each shareholder in the Company bears to the total number of issued shares in the Company or in such other proportions as the Valuers shall direct.

11. REDEMPTION OF REDEEMABLE PREFERENCE SHARES

- 11.1 The Company may, subject to the Statutes, at any time and from time to time after the date of issue of the Redeemable Preference Shares on giving to the holders of such Redeemable Preference Shares at that date not less than 7 days prior written notice of the date when such redemption is to be effected (a **Redemption Notice**), redeem all or any of such Redeemable Preference Shares. In case of partial redemption under this article such redemption shall be pro rata to individual holdings of Redeemable Preference Shares.
- 11.2 If the Company shall be unable in compliance with the Statutes to redeem all or any of the Redeemable Preference Shares on the appropriate redemption date then the Company shall redeem such number of the Redeemable Preference Shares as may lawfully be redeemed at such time pro rata to the proportionate number of such Redeemable Preference Shares held by each holder. The Company shall redeem, as soon after such date or dates as it shall be lawfully permitted to do so, the remaining number of Redeemable Preference Shares which would otherwise have fallen to be redeemed on such date in accordance with the provisions of this article.
- 11.3 There shall be paid on each Redeemable Preference Shares so redeemed the nominal amount paid up thereon together with a sum equal to all arrears in respect of such Redeemable Preference Shares to be calculated down to and including the appropriate redemption date.
- 11.4 Any Redemption Notice shall specify the particular Redeemable Preference Shares to be redeemed, the redemption date and upon the redemption date each of the holders of the Redeemable Preference Shares concerned shall be bound to deliver to the Company the certificates for the shares concerned in order that the same may be redeemed. Upon such delivery, the Company shall pay to such holder (or to his order) the amount due to him in respect of such redemption. If any certificate so delivered to the Company includes any Redeemable Preference Shares not redeemable on that

occasion a fresh certificate for such shares shall be issued without charge to the holder delivering such certificate to the Company.

- 11.5 As from the relevant redemption date the Redeemable Preference Shares dividend shall cease to accrue on the Redeemable Preference Shares due for redemption. Such shares shall be treated as having been redeemed, whether or not the certificates therefor shall have been delivered and the redemption monies paid. The redemption monies, if remaining unpaid, shall constitute a debt of the Company.

12. DIVIDENDS AND DISTRIBUTIONS

- 12.1 In respect of any accounting reference period of the Company, the Available Profits may, in the absolute discretion of the directors be used to pay dividends as set out in this article 12.
- 12.2 The Company shall, without obligation and without need for a resolution of the Directors, or the Company in general meeting and before application of any Available Profits to reserves or to the holders of the A Shares, the B Shares, the C Shares or the D Shares, or for any other purpose, pay in respect of each Redeemable Preference Share a fixed, cumulative, preferential dividend (**Preferred Dividend**) at an annual rate of 0.1% on the nominal amount of the Redeemable Preference Shares held by, and paid to, the person registered as its holder on the due date (such date determined in accordance with this article 12).
- 12.3 The Preferred Dividend shall be paid in cash on such date to be agreed by the Directors of the Company.
- 12.4 The Company shall not declare or pay any further dividend unless and until all arrears and accruals of the Preferred Dividend have been paid.
- 12.5 Subject to article 12.4, any further Available Profits which the Company may determine to distribute in respect of any Financial Year will be distributed to the appropriate shareholders pro rata according to the number of shares held by them respectively and shall accrue daily (assuming a 365 day year) as well after as before the commencement of a winding up. All dividends are expressed net and shall be paid in cash.
- 12.6 Unless the Company has insufficient Available Profits, the Preferred Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date.

- 12.7 If, as a result of not having sufficient Available Profits, the Company is not lawfully permitted to pay the Preferred Dividend in full on the due date, it shall pay the Preferred Dividend to the extent it is lawfully able to do so. The unpaid amount shall:
- (a) be a debt due from the Company; and
 - (b) accrue interest daily (assuming a 365 day year) at the rate of 1% above the base lending rate of the Bank of England in respect of the period from the due date to the actual date of payment (both dates inclusive) and such interest shall, to the extent outstanding for the time being, be paid on the date of payment of the Preferred Dividend in respect of which the relevant interest accrues.
- 12.8 If the Company is in arrears in paying the Preferred Dividend, the first Available Profits arising shall be applied in or towards paying off any arrears of Preferred Dividend.
- 12.9 For the purposes of the payment of dividends under this article 12, the decision of the directors to pay dividends to the holders of each class of shares shall be a separate decision and payment of dividends to one class of share does not impose any obligation on the directors to pay dividends to the holders of any other class of share.
- 12.10 Subject to the provisions of these Articles, the assets of the Company available for distribution to its members shall be applied in paying to each holder of Redeemable Preference Shares in priority to any payment to the holders of A Shares, B Shares, C Shares and D Shares a sum equal to the capital paid up on that Redeemable Preference Share.
- 12.11 The holder of Redeemable Preference Shares shall not be entitled to any further right of participation in the profits of the Company.

Capital

- 12.12 Subject to the provisions of these Articles, on a return of capital on a winding up, the sale of the Company or otherwise, (other than a conversion, redemption or purchase by the Company of its own shares) the assets of the Company available for distribution to its members shall be applied in paying to the holders of Redeemable Preference Shares, in priority to any payment to the holders of all other shares in the capital of the Company, a sum equal to the capital paid up on that Redeemable Preference Share.
- 12.13 The holders of the Redeemable Preference Shares shall not be entitled to any further right of participation in the capital of the Company on a winding up or other return of capital.