

Company Number: 10696275

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTION
OF

FLINTSHIRE MEMORIAL LIMITED (THE "COMPANY")

The directors of the Company propose the following resolution (the "**Resolution**") be passed as a written resolution of the Company under Chapter 2 of Part 13 Companies Act 2006. The Resolution is proposed as a Special Resolution.

SPECIAL RESOLUTION

- 1 THAT the Company's articles of association attached, be and they are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all the existing articles thereof.

By order of the Board

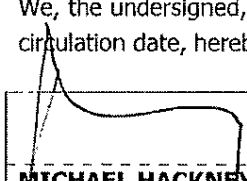
Registered in England and Wales no. 09942123

Registered office: Seebeck House, 1 Seebeck Place, Knowlhill, Milton Keynes MK5 8FR

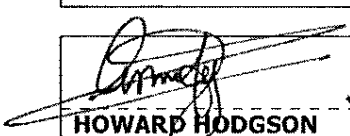
Circulation date: 13 November **2017**. The Resolution will lapse if not passed before the end of the period of 28 days beginning with the circulation date.

AGREEMENT

We, the undersigned, being the members of the Company who are entitled to vote on the Resolution on the circulation date, hereby signify our agreement to the Resolution.


MICHAEL HACKNEY

13 NOVEMBER 2017
DATED


HOWARD HODGSON

13 NOVEMBER 2017
DATED

JAMIESON HODGSON

DATED

TUESDAY



A13 *A6J5IB3C* 14/11/2017 #350
COMPANIES HOUSE

13 NOVEMBER 2017
DATED

Company Number: 10696275

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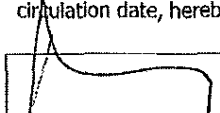
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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

FLINTSHIRE MEMORIAL LIMITED (THE "COMPANY")

(adopted by special resolution passed on 13 November 2017)

1 PRELIMINARY

- 1.1 The regulations referred to in regulation 2, and set out in schedule 1, of The Companies (Model Articles) Regulations 2008 (the "**Model Articles**") apply to the Company except to the extent that they are excluded and modified by these Articles, and are to the exclusion of all other regulations and Articles.
- 1.2 The registered office of the Company will be situated in England and Wales.

2 DEFINED TERMS

- 2.1 In the Articles, unless the context requires otherwise:

"**A Share**" means an A ordinary share of £1.00 in the equity share capital of the Company having the rights and being subject to the restrictions set out in these Articles

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

"**Acting in Concert**" has the meaning given to it in the City Code on Takeovers and Mergers

"**Approved Offer**" means an arms length offer in writing (including an offer from the Company or from any Holder or Holders of Ordinary Shares or any company in which the Holder or Holders of Ordinary Shares has a Controlling Interest (each a "**Connected Buyer**")) for (i) all the Shares; or (ii) in the case of an offer by a Connected Buyer or the Company, all the A Shares, B Shares and C Shares; or (iii) in the case of an offer by a Connected Buyer or the Company, all the A Shares; (iv) in the case of an offer by a Connected Buyer or the Company, all the B Shares; or (v) in the case of an offer by a Connected Buyer or the Company, all the C Shares, in each case then in issue (including any Shares which may be allotted during the offer period or upon the offer becoming unconditional pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into Shares in existence at the date of such offer) on equal terms (save as to the split of consideration which shall be in accordance with the provisions of these Articles), unless in the case of a particular member less favourable terms are agreed in writing with that member, and which:

- (a) is stipulated to be open for acceptance for at least 20 Business Days; and

- (b) includes an undertaking by the offeror that neither it nor any person acting by agreement or understanding with it have entered into more favourable terms or have agreed more favourable terms with any other member for the purchase of Shares (save as to the split of consideration which shall be in accordance with the provisions of the Articles)

"Articles" means the articles of association of the Company

"B Share" means a B ordinary share of £0.01 in the equity share capital of the Company having the rights and being subject to the restrictions set out in these Articles

"Beneficial Owner" means the beneficial owner of any Shares

"Board" means the board of Directors of the Company from time to time

"Business Day" means a day (other than Saturday or Sunday) on which banks are generally open in London for normal business

"C Fixed Dividend" means 4% of the total amount paid up or credited as paid up (including any premium (on the C Shares)

"C Share" means a C ordinary share of £0.01 in the equity share capital of the Company having the rights and being subject to the restrictions set out in these Articles

"Conflict of Interest" includes a conflict of duties, or a conflict of interest and duty, or a potential conflict

"Director" includes a former director or a shadow director to the extent that the general duties apply to them and the definition of "director" in regulation 1 of the Model Articles is modified accordingly

"company" includes (except when referring to the Company) any body corporate, partnership, limited liability partnership, unincorporated business or association or other body

"Connected Persons" has the meaning given to it in section 1122 Corporation Tax Act 2010

"Controlling Interest" means the holding of Shares (or the right to exercise the votes attaching to Shares) which confers in aggregate more than 50% of the total voting rights conferred by all the Shares for the relevant time being in issue

"Disposal" means the sale of the whole or substantially the whole of the undertaking or assets of the Company

"Exit Event" means any of:

- (i) a Disposal;
- (ii) a Share Sale; or
- (iii) a Liquidation

"Family Trust" means a trust (whether arising under a settlement inter vivos or a testamentary disposition by whomsoever made or on an intestacy) under which the only persons being (or

capable of being) beneficiaries are the individual Beneficial Owner and/or his Privileged Relations and no power of control over the voting powers conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustees as trustees or the individual Beneficial Owner or his Privileged Relations

"Group Company" means the Company or a Subsidiary of the Company or a Holding Company of the Company or a Subsidiary of the Holding Company of the Company

"Holder" in relation to shares means the member whose name is entered in the register of members as the holder of the shares

"ITA" means the Income Tax Act 2007

"Independent Expert" means an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days of any party concerned proposing a firm, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales

"Investor Representative" has the meaning given to it in Article 8.1

"Liquidation" means the passing of a resolution for the winding-up of the Company

"Ordinary Share" means an ordinary share of £0.000025641 in the equity share capital of the Company having the rights and being subject to the restrictions set out in these Articles

"Ordinary Shareholder Majority" means the holder or holders for the time being of at least 80% of the Ordinary Shares then in issue

"Part 5" means Part 5 of ITA

"Privileged Relation" means in relation to a member, a spouse of that member and all lineal descendants of that member (including for this purpose any stepchild, adopted child or illegitimate child of any such member or his lineal descendants)

"Proceeds Available for Distribution" means:

- (i) on a Disposal, the total consideration paid or payable for the assets sold or transferred (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise);
- (ii) on a Share Sale, the total consideration paid or payable for all of the Shares (whether that consideration is to be satisfied in cash, shares, loan notes or a combination thereof or otherwise); and
- (iii) on a Liquidation, the aggregate amount in money or money's worth available for distribution to Holders of Shares after payment of creditors,

in each case less the amount of costs and expenses reasonably and properly incurred and borne by the Company in respect of either of the above events

"Relevant Amount" means the total amount paid up or credited as paid up (including any premium) on the A Shares, B Shares and C Shares

"Share Sale" means the completion of any transaction or series of transactions in which any person, Connected Persons or group of persons Acting in Concert purchases or otherwise acquires or obtains all of the Shares

"Shares" means shares in the equity share capital of the Company

"Subsidiary" and **"Holding Company"** have the meanings ascribed to such expressions by section 1159 of the Act

- 2.2 Unless the context otherwise requires words or expressions which have particular meanings in the Model Articles or in the Act have the same meanings in these Articles.

3 **DECISION MAKING BY DIRECTORS**

- 3.1 Any decision of the Directors must be:

3.1.1 a majority decision at a Directors' meeting; or

3.1.2 a decision taken in accordance with regulation 8 of the Model Articles; or

3.1.3 in the form of a Directors' written resolution,

and regulation 7(1) of the Model Articles is modified accordingly.

4 **QUORUM FOR DIRECTORS' MEETINGS**

- 4.1 The quorum for Directors' meetings is two Directors, or one Director if only one Director is in office, provided that the Investor Representative, if any, must also be present for the meeting to be considered quorate (but if a meeting is adjourned because an Investor Representative is not present, the quorum at the adjourned meeting shall be any two Directors) Regulation 11(2) of the Model Articles does not apply to the Company.

5 **CASTING VOTE**

- 5.1 In the case of an equality of votes, the chairman shall not have a casting vote and regulation 13 of the Model Articles shall not apply to the Company.

6 **DIRECTORS' CONFLICTS OF INTEREST**

- 6.1 Regulation 14 of the Model Articles does not apply.

- 6.2 This Article 6 contains provisions for dealing with directors' conflicts of interest, so that the general duties of directors set out in sections 171 to 177 of the Act (the **"general duties"**) are not infringed by anything done (or omitted) by a Director in accordance with this Article. So far as is lawful, the general duties have effect subject to any authority given by or under this Article 6.

- 6.3 A Director may enter into any transaction in or relating to securities of the Company or its holding company or may have any interest arising as Holder of securities of the Company or its holding company or in any transaction in his character as Holder of such securities.

- 6.4 The Directors may authorise any matter proposed to them which otherwise would or might infringe the duty of a Director to avoid conflicts of interest. Provided that he has declared the nature and extent of his interest as if the matter were a transaction or arrangement with the Company in which he was interested, a Director may vote and be counted in the quorum on any resolution to authorise a conflict of interest of his and section 175(6) of the Act shall not apply.
- 6.5 The Directors may:
- 6.5.1 give any such authorisation subject to such conditions as they think fit;
 - 6.5.2 vary or terminate the authorisation or waive, vary or terminate any such conditions at any time or excuse any non-compliance with such conditions either before or after it occurs, but any termination or variation will not affect anything done or omitted to be done by the Director prior to such termination or variation.
- 6.6 The conditions may include that the Director:
- 6.6.1 is to be excluded from discussions, whether at meetings of Directors or otherwise, relating to matters in respect of which he has the conflict of interest;
 - 6.6.2 is not to be given documents or information relating to matters in respect of which he has the conflict of interest;
 - 6.6.3 may not vote, or count in the quorum at any future meeting of Directors in relation to any resolution relating to matters in respect of which he has the conflict of interest.
- 6.7 Any authorisation of a conflict of interest authorised by or under this Article 6 shall (unless the contrary intention appears) extend to any conflict of interest which may reasonably be expected to arise out of the matter authorised either at the time of giving the authority or subsequently.
- 6.8 A Director is not required to account to the Company for any remuneration, profit or other benefit which he gains from any matter in respect of which he has a conflict of interest which has been authorised by or under this Article 6, no contract, arrangement or transaction shall be avoided on the grounds of any conflict of interest so authorised, and the receipt of such remuneration, profit or benefit shall not constitute a breach of the Director's duty not to accept benefits from third parties.
- 6.9 The Company may by ordinary resolution authorise or ratify any contract, transaction, arrangement, conflict of interest, acceptance of a benefit or other proposal which might otherwise infringe or may have infringed the general duties, including any contravention of any provision of this Article 6. When shareholders ratify a conflict of interest the vote of any shareholder who is also an interested Director will not be counted.
- 6.10 The Directors may authorise the receipt and retention by a Director of any specific benefit from a third party which has been disclosed to the Directors.

7 ASSOCIATE DIRECTOR

- 7.1 The Directors may at any time and from time to time appoint any person to be an associate director with a title including the word "director". An associate director is not a Director of the Company and is not a member of the Board. The Directors may define and limit the powers and

duties of any associate directors and may determine their remuneration, which may be in addition to their remuneration as managers or employees of the Company.

8 INVESTOR REPRESENTATIVE

8.1 A majority of the holders of A Shares, B Shares and C Shares (as though they constituted a single class of share) may appoint any person as a Director of the Company or as an observer (such person being referred to as an Investor Representative) or remove such Investor Representative provided that there shall only be one Investor Representative at any time. Upon request of the Investor Representative the Company shall procure that such person is similarly appointed in relation to the board of directors of any Group Company. An observer shall be entitled to receive notice of, attend and speak (but not vote) at meetings of the relevant board(s) of Directors.

8.2 The Investor Representative shall be entitled to appoint his successor.

8.3 The consent of the Investor Representative shall be required for and in respect of:

8.3.1 any variation of the authorised or issued share capital of the Company or the creation or the granting of any option or other right to subscribe for shares or convert into shares in the capital of the Company or the variation of the rights attaching to shares in the capital of the Company;

8.3.2 the alteration of the memorandum or articles of association of any Group Company;

8.3.3 the taking of steps to wind up or dissolve any Group Company;

8.3.4 any material change in the nature of the business of a Group Company or any disposal of the whole or substantially the whole of the business of any Group Company;

8.3.5 the disposal or acquisition by whatever means by any Group Company in any financial year of:

8.3.5.1 a significant asset (namely an asset having a value in excess of £50,000);

8.3.5.2 the whole or a significant part of an undertaking; or

8.3.5.3 a subsidiary undertaking;

8.3.6 the alteration of the accounting reference date of any Group Company or the alteration to any accounting policy or practice in any material respect, or the adoption of any material new accounting policy or practice in each case save as may be required by law or by generally accepted accounting principles in the UK;

8.3.7 the entry into, termination or variation of any contract or arrangement between (1) the Company and (2) a Director of the Company or a person who in relation to a Director of the Company is a Connected Person or any employee of any Group Company, including the variation of the remuneration or other benefits under such a contract or arrangement, and the waiver of any breach of such a contract or arrangement;

8.3.8 the delegation by the Directors of any Group Company of any of their powers to a committee;

- 8.3.9 the incurring by any Group Company of any borrowing or any other indebtedness or liability in the nature of borrowing, other than in the ordinary course of trading and other than any facilities or borrowings where the Company's total indebtedness at any time does not exceed £150,000;
 - 8.3.10 the entering into by a Group Company of any lease, licence or similar obligation in respect of real estate;
 - 8.3.11 the creation of any mortgage or charge over any asset of a Group Company;
 - 8.3.12 the giving of any guarantee by any Group Company other than in the ordinary course of trading;
 - 8.3.13 the entering into or variation or termination by a Group Company of any contract or arrangement with any Connected Party or with a value greater than £20,000 or outside the ordinary course of trading or otherwise than at arm's length;
 - 8.3.14 the incorporation of a new subsidiary undertaking of a Group Company;
 - 8.3.15 the entering into by a Group Company of any agreement or arrangement in the nature of a joint venture, partnership or consortium;
 - 8.3.16 save for the establishment of a Workplace Pension Scheme or any other type of pension scheme that it becomes compulsory for the Company to enact, the establishment by a Group Company of any pension scheme or similar arrangement;
 - 8.3.17 save for the initial appointment of auditors to any Group Company, the appointment or removal of auditors to any Group Company;
 - 8.3.18 the appointment or removal of any Director of a Group Company;
 - 8.3.19 the transfer of any Shares otherwise than in accordance with the Articles;
 - 8.3.20 the purchase or redemption by a Group Company of its own shares;
 - 8.3.21 the declaration, making or payment of any dividend by the Company, other than the C Fixed Dividend at any time when there are at least 1,600,000 A Shares, B Shares and/or C Shares in issue;
 - 8.3.22 the instigation of any litigation by any Group Company where the value of the claim exceeds £20,000 (exclusive of costs) or where the costs of conducting such action are likely to exceed £10,000 other than to recover trade debt in the ordinary course of business for amounts not exceeding £30,000.
- 8.4 Any consent to be given by the Investor Representative under Article 8 shall be by written notice signed by the Investor Representative and delivered to the Company.
- 8.5 No person dealing with the Company shall be concerned to see or enquire as to whether the powers of the Directors have been in any way restricted hereunder or as to whether any requisite consent has been obtained and no obligation incurred or security given or transaction effected by the Company to or with any third party shall be invalid or ineffectual unless the third party had at

the time express notice that the incurring of such obligation or the giving of such security or the effecting of such transaction was in excess of the powers of the Directors.

- 8.6 The provisions of Articles 8.1 to 8.3 inclusive above shall cease to apply and be of any further force or effect if and when the number of A Shares, B Shares and/or C Shares in issue is less than 28,000.

9 SHARE CERTIFICATES

- 9.1 Sub-paragraph (d) of regulation 24(2) of the Model Articles shall not apply.

10 RESTRICTIONS ON ALLOTMENT OF SHARES

- 10.1 Subject to the provisions of these Articles, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

10.1.1 offer or allot;

10.1.2 grant rights to subscribe for or to convert any security into; or

10.1.3 otherwise deal in, or dispose of,

any Shares in the Company to any person, at any time and subject to any terms and conditions as the Directors think proper.

- 10.2 The authority referred to in Article 10.1:

10.2.1 shall be limited to a maximum number (including all Shares in issue immediately prior to the adoption of these Articles) of:

10.2.1.1 28,302 A Shares;

10.2.1.2 2,737,008 B Shares;

10.2.1.3 399,200 C Shares;

10.2.1.4 39,000 Ordinary Shares,

or such other amounts as may from time to time be authorised by the Company by ordinary resolution;

10.2.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

10.2.3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the Directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

- 10.3 The Shares shall rank equally except as specifically set out in these Articles.

10.4 In accordance with section 570 of the Act, the Directors are generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by article 10.1, as if section 561 of the Act did not apply to any such allotment, provided that this power shall:

10.4.1 be limited to the allotment of equity securities up to the aggregate nominal amounts as stated in article 10.2; and

10.4.2 expire on the date 5 years following the date of adoption of these articles (unless renewed, varied or revoked by the Company prior to or on that date) save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry.

10.5 The rights attaching to any class of the Shares may not be amended or altered in any way unless previously approved by:

10.5.1 Holders of at least 75% of that class of Shares; and

10.5.2 Holders of at least 75% of the voting rights in respect of all Shares.

10.6 Subject to the provisions of the Act, Shares may be issued which are to be redeemed or are to be liable to be redeemed at the option of the Company or the Holder on such terms and in such manner as may be provided by the Articles.

11 **VOTING**

11.1 Each Holder of Ordinary Shares and A Shares shall be entitled to receive notice of, attend and vote at general meetings of the Company.

11.2 Save in respect of any matter which requires the approval of the Holders of B Shares and C Shares pursuant to Article 10.5, the Holders of B Shares and C Shares shall not otherwise be entitled to receive notice of, attend nor vote at general meetings of the Company.

12 **INCOME**

12.1 The Company shall, so far as it is legal to do so, pay the holders of the C Shares pro rata to the aggregate number of C Shares held by each of them the C Fixed Dividend in cash on 30 June and 31 December in each year and the first ever C Fixed Dividend shall be payable on 30 June 2019.

12.2 Any remaining profits (after payment of the C Fixed Dividend) that the Company may decide to distribute shall be distributed amongst the holders of Shares pro rata to the amount paid up per share, for which purpose the amount paid up on each B Share and each C Share shall be deemed to be 0.001p and the amount paid up on each A Share and Ordinary Share shall be deemed to be £1.00.

13 **RETURN OF CAPITAL AND EXIT**

13.1 On an Exit Event, the total Proceeds Available For Distribution among the Holders of Shares will be distributed in the following order and priority:

13.1.1 first, in paying up to the Relevant Amount to the Holders of Shares as if the same constituted one class of shares pro rata to the amount paid up per share, save that for

this purpose the amount paid up on each Ordinary Share shall be deemed to be 0.001p;
and

13.1.2 second, in paying any remaining Proceeds Available For Distribution to the Holders of Shares as if the same constituted one class of shares pro rata to the amount paid up per share, save that for this purpose the amount paid up on each B Share and C Share shall be deemed to be 0.001p and the amount paid up on each A Share shall be deemed to be £1.00 and on each Ordinary Share shall be deemed to be £0.952.

13.2 In the event of a Share Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Share Sale the selling Holders of Shares shall immediately prior to such Share Sale procure that the consideration (whenever received) shall be placed in a designated trustee account or solicitors' client account and shall be distributed amongst such selling Holders of Shares in such amounts and in such order of priority as would be applicable on a return of capital pursuant to Article 13.

14 **PERMITTED TRANSFERS**

14.1 Any member may at any time transfer all or any of his Shares to any other person with the prior written consent of an Ordinary Shareholder Majority and the Investors' Representative and any such transfers shall be registered by the Board.

14.2 Any Shares may be transferred:

14.2.1 by a Beneficial Owner who is an individual to a Privileged Relation, of such Beneficial Owner or to trustees to be held upon Family Trusts; or

14.2.2 by the nominee of a Beneficial Owner to the Beneficial Owner or to another nominee of the Beneficial Owner.

14.3 Where any Shares have been transferred to Privileged Relations or trustees of a Family Trust pursuant to Article 14.2.1 or issued to trustees, the Privileged Relation or the trustees as the case may be may transfer any such Shares to a person or persons shown to the reasonable satisfaction of the Board and the Investor Representative to be:

14.3.1 the trustees for the time being (on a change of trustee) of the Family Trusts in question; and/or

14.3.2 the Beneficial Owner or any Privileged Relation of the Beneficial Owner.

14.4 In any case where a member proposing to transfer Shares under Article 14.2 (the "**Proposing Transferor**") holds those Shares as a result of an earlier transfer authorised under Article 14.2 from the first Holder of those Shares (the "**Original Member**") the Proposing Transferor may only transfer those Shares to a person to whom the Original Member could have transferred such Shares under the Articles.

14.5 Where Shares are held by trustees of a Family Trust and any such Shares cease to be held upon Family Trusts (otherwise than in consequence of a transfer in accordance with the Articles or a transfer to the settlor of the relevant Family Trust) the trustees shall forthwith transfer such Shares to a transferee permitted under the Articles and in default thereof the trustees shall, unless the

Investors' Representative and the holders of at least 45% of the Ordinary Shares then in issue agree otherwise, be deemed to have given a Transfer Notice in respect of the Shares in question.

15 SHARE TRANSFER PROCEDURE

15.1 Any member holding Shares who wishes to transfer any of such Shares (a **"Vendor"**) otherwise than in accordance with Article 14 shall give a Transfer Notice to the Company of his wish specifying:

15.1.1 the number of Shares which he wishes to transfer (**"Sale Shares"**);

15.1.2 the price per Share at which he wishes to sell such Sale Shares;

15.1.3 the name and address of any third party to whom he proposes to transfer the Sale Shares and the terms of any offer made by that third party; and

15.1.4 whether the Transfer Notice is conditional upon all and not part only of the Sale Shares so specified being sold pursuant to the offer hereinafter mentioned, and in the absence of such stipulation it shall be deemed not to be so conditional.

15.2 Where any Transfer Notice is given in accordance with Article 15.1, the sale price of any Shares comprised within the Sale Shares shall be the price per Share specified in the Transfer Notice pursuant to Article 15.1.

15.3 Where any Transfer Notice is deemed to have been given in accordance with these Articles, the deemed Transfer Notice shall be treated as having specified:

15.3.1 that all the Shares registered in the name of the Vendor shall be included for transfer;

15.3.2 that the sale price of the Sale Shares shall be determined in accordance with Articles 15.4 to 15.6; and

15.3.3 that the Transfer Notice is not conditional upon all and not part only of the Shares so specified being sold pursuant to the offer.

15.4 Where any Transfer Notice is deemed to have been given in accordance with these Articles, the Vendor, the Investors' Representative and the Board shall seek to agree the sale price of the Sale Shares the subject of the deemed Transfer Notice within 10 Business Days of the date of the deemed Transfer Notice and, if agreement is reached such agreed price shall be the sale price of the Sale Shares the subject of the deemed Transfer Notice.

15.5 In the event that agreement is not reached as to the sale price of the Sale Shares pursuant to Article 15.4 within 10 Business Days of the Board receiving notice of the events giving rise to the deemed issue of a Transfer Notice having occurred, the Board shall within 20 Business Days of receiving such notice instruct the Independent Expert to determine in accordance with Article 15.6 the sale price of the Sale Shares the subject of the Transfer Notice.

15.6 Where the Independent Expert is instructed in accordance with these Articles the sale price of the Sale Shares shall be the value which the Independent Expert certifies in his opinion as a fair value of such Sale Shares. In arriving at his opinion the Independent Expert will value such Sale Shares as at the date the Transfer Notice is deemed to have been served:

- 15.6.1 as shares in the Company on a going concern basis;
 - 15.6.2 as on an arms length basis between a willing seller and a willing buyer;
 - 15.6.3 ignoring any reduction or enhancement in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority or majority interest;
 - 15.6.4 on the assumption that the Sale Shares are capable of transfer without restriction; and
 - 15.6.5 having regard to the provisions of Article 13.
- 15.7 The sale price of the Sale Shares whether fixed, agreed or determined under these Articles shall be referred to as the "**Transfer Price**".
- 15.8 Any member (including the Vendor) shall be entitled to make representations, in connection with the calculation of the fair value of the Sale Shares to the Independent Expert within 20 Business Days of his appointment (which shall be notified to the members within 5 Business Days of being made) and the Independent Expert shall be required to take into account in calculating the fair value of the Sale Shares all reasonable representations so made to him.
- 15.9 The decision of the Independent Expert as to the Transfer Price shall, save in the case of clerical or manifest error appearing within 15 Business Days of the Independent Expert's determination of the Transfer Price, be final and binding. The Independent Expert's charges including disbursements and value added tax in connection with the determination will be paid by the Company.
- 15.10 No Transfer Notice once given in accordance with this Article shall be withdrawn without the consent in writing of the Board and the Investors' Representative.
- 15.11 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the Sale Shares specified therein at the Transfer Price.
- 15.12 Once the Transfer Price has been fixed, agreed or determined (as the case may be) for all shares the subject of a Transfer Notice, the Company may (with the consent of the Investors' Representative) not later than 15 Business Days from the Transfer Price being agreed, fixed or determined confirm that it will exercise its power, subject to the provisions of the Act, to purchase any of the Sale Shares at such Transfer Price.
- 15.13 If the Company declines or is unable to exercise the powers referred to in Article 15.12, it shall within 30 Business Days of the Transfer Price being fixed, agreed or determined give notice in writing to each of the members of the Company (other than the Vendor) informing them that the Sale Shares are available and of the Transfer Price and shall invite each member (other than the Vendor) to state in writing within 25 Business Days from the date of the said notice (which date shall be specified therein) whether he is willing to purchase any and, if so, how many of the Sale Shares at the Transfer Price.
- 15.14 The notice in Article 15.13 shall state that the Sale Shares shall be offered:
- 15.14.1 first to the Holders of the same class of shares; then
 - 15.14.2 to the extent not acquired by the Holders of the same class, to each member (other than the Vendor) holding shares of any other class;

in each case on terms that in the event of competition the remaining Sale Shares offered shall be sold to the members accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares of the relevant class ("**Proportionate Entitlement**"). It shall be open to each such member to specify if he is willing to purchase the remaining Sale Shares in excess of his Proportionate Entitlement ("**Excess Shares**") and if the member does so specify he shall state the number of Excess Shares.

- 15.15 After the expiry of the offers to be made pursuant to Articles 15.13 and 15.14 the Board shall allocate the Sale Shares in the following manner:

15.15.1 first, to the Holders of the same class of shares; then

15.15.2 if the total number of remaining Sale Shares of each class applied for (including for the avoidance of doubt any Excess Shares applied for by Holders of the relevant class) is equal to or less than the available number of remaining Sale Shares of that class, the Company shall allocate the number applied for in accordance with the applications and the remaining Sale Shares of any class shall then be offered to the Holders of the shares of the other class and if the total applied for is equal to or less than the available number, the Company shall allocate them in accordance with the applications;

15.15.3 if the total number of remaining Sale Shares of each class applied for by the Holders of that class, or (in the event that Holders of that class apply for less than the number of remaining Sale Shares of that class) the total number then applied for by Holders of shares of the other class (in accordance with Article 15.15.2 above) is more than the available number of remaining Sale Shares, each member shall be allocated his Proportionate Entitlement or such lesser number of remaining Sale Shares for which he may have applied and applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each member applying for Excess Shares in the proportion which the Shares of the relevant class held by such member bears to the total number of Shares of that class held by all such members applying for Excess Shares and provided that such member shall not be allocated more Excess Shares than he shall have stated himself willing to take and in either case the Company shall forthwith give notice of each such allocation ("**Allocation Notice**") to the Vendor and each of the persons to whom remaining Sale Shares have been allocated ("**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than 15 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares be completed.

- 15.16 Subject to Article 15.17, upon such allocation being made as aforesaid, the Vendor shall be bound, on payment of the Transfer Price for each of the Sale Shares, to transfer the Sale Shares as required by Article 15.15. If the Vendor makes default in so doing, any person nominated by the Board for that purpose shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the Holder or Holders by transfer of the Sale Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up his certificate or

certificates for the relevant Sale Shares to the Company when he shall thereupon be paid the purchase money.

- 15.17 If the Vendor shall have included in the Transfer Notice a provision that unless all the Sale Shares are sold none shall be sold and if the aggregate number of Sale Shares applied for by Member Applicants and/or purchased by the Company is less than the total number of Sale Shares then a further invitation shall be open for 25 Business Days to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article shall be conditional upon such provision as aforesaid being complied with in full.
- 15.18 In the event of all the Sale Shares specified in a Transfer Notice not being sold under the preceding paragraphs of this Article, the Company shall forthwith give notice in writing of this fact to the Vendor, and the Vendor may (with the consent of the Board in the case of any proposed transfer to a company, corporate entity or person(s) considered by the Board to be in competition with the Company) at any time within 3 calendar months after receiving such notice from the Company that the pre-emption provisions herein contained have been exhausted, transfer any Sale Shares not sold at any price not less than the Transfer Price.

16 **APPROVED OFFER**

- 16.1 Notwithstanding the provisions relating to the transfer of Shares in these Articles, if a transfer of Shares would result, if made and registered, in a person and/or his Connected Persons and/or his or their Permitted Transferees obtaining a Controlling Interest or obtaining a Holding of a single class of Share which confers more than 50% of the total voting rights conferred by all Shares of that class of Share, no transfer of Shares shall be made or registered unless an Approved Offer is made and which has the approval of the Investor Representative and an Ordinary Shareholder Majority.
- 16.2 Transfers of Shares in the Company on completion of an Approved Offer shall not be subject to the restrictions on transfer or pre-emption provisions contained in these Articles.
- 16.3 If at any time an Approved Offer for (i) all the Shares or (ii) all the A Shares, B Shares and C Shares is made, the members to whom such Approved Offer is directed who have not accepted the Approved Offer shall be obliged to accept the Approved Offer in respect of the Shares held by them and to sell all of the Shares held by them in accordance with such Approved Offer.
- 16.4 If at any time an Approved Offer for all the A Shares is made which is accepted by the Holders of 80% of the A Shares then in issue and by the Ordinary Shareholder Majority the Holders of A Shares who have not accepted the Approved Offer shall be obliged to accept the Approved Offer in respect of the A Shares held by them and to sell all of the A Shares held by them in accordance with such Approved Offer.
- 16.5 If at any time after 7 years from the date of adoption of these Articles an Approved Offer for all the B Shares is made which is accepted by the Holders of 80% of the B Shares then in issue and by the Ordinary Shareholder Majority the Holders of B Shares who have not accepted the Approved Offer shall be obliged to accept the Approved Offer in respect of the B Shares held by them and to sell all of the B Shares held by them in accordance with such Approved Offer.

16.6 If at any time after an Approved Offer is made for all the C Shares which is accepted by the Holders of 80% of the C Shares then in issue and by the Ordinary Shareholder Majority the Holders of C Shares who have not accepted the Approved Offer shall be obliged to accept the Approved Offer in respect of the C Shares held by them and to sell all of the C Shares held by them in accordance with such Approved Offer.

16.7 If any person (a "**Compulsory Transferor**") fails to transfer any Shares in accordance with Articles 16.3, 16.4, 16.5 and 16.6 within 25 Business Days of the Approved Offer having been made the Directors may authorise any person to execute and deliver on his behalf the necessary stock transfer form transferring the relevant Shares with full title guarantee and the Company shall receive the purchase money in trust for the Compulsory Transferor and cause the purchaser to be registered as the Holder of such shares (subject to payment of any stamp duty). The receipt of the Company for the purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof). The Compulsory Transferor shall in such case be bound to deliver up his certificate for such Shares to the Company whereupon he shall be entitled to receive the purchase price without interest.

17 **EIS**

17.1 For such period as is necessary for the purposes of Part 5:

17.1.1 the Company undertakes to the Holders of Shares to use all reasonable endeavours to ensure that the Company is and continues to be a Qualifying Company as that expression is defined in section 180 of ITA, that the Shares are and continue to be eligible shares for the purposes of section 173(2) of ITA and that neither the Company, nor any of its subsidiaries, shall take any action (save as required by law) that will prejudice relief claimed by any shareholder by being a breach of the restrictions contained in Part 5 or exemption or relief available under sections 150A, 150C and Schedule 5B Taxation of Chargeable Gains Act 1992 (together, such reliefs and exemptions the "**EIS Reliefs**"); and

17.1.2 the Company undertakes to notify the Investor Representative of any action or intended action of the Company that the Company knows will or is likely to result in the Company or the Shares ceasing to satisfy the requirements of Part 5, the Company ceasing to be a Qualifying Company or any one or more of the EIS Reliefs being prejudiced in respect of any member for the time being and in the event that any such action has been taken, the Company undertakes to take such other action as may be required to ensure that the breach is remedied as soon as reasonably practicable.

18 **GENERAL MEETINGS**

18.1 Regulation 41 of the Model Articles applies with the addition of the following sentence:

"If at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, any person or persons entitled to vote upon the business to be transacted, being (or each being) a member or a proxy for a member or a duly authorised representative of a corporation, shall be a quorum if he is (or they are together) entitled to cast more than one half of the number of votes which might be cast at the meeting upon the business to be transacted; or in other circumstances, the meeting shall be dissolved."

19 **WRITTEN RESOLUTIONS AND CONSENTS**

- 19.1 The joint Holder of a share whose name comes first in the register of members in respect of the joint holding is authorised to agree to any written resolution on behalf of all the joint Holders and to receive any document which is required by the Act to be supplied to the joint Holders in connection with that resolution.
- 19.2 *Where any consent is required from the Investor Representative under these Articles, such consent may be given generally or specifically in respect of any present or future events, matters or circumstances and any such consent, where given, may not be subsequently revoked or withdrawn without the consent of an Ordinary Shareholder Majority.*