

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

FBOH LTD (the “Company”)

Company number 11203456

Circulation Date: 20 May 2019



Definitions:

“**New Articles**” means the new articles of association of the Company attached to this resolution and initialled by the chairman of the Company for the purposes of identification.

“**the Act**” means the Companies Act 2006.

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as special resolutions (the “**Special Resolution**”).

Special Resolution

1. **THAT** the New Articles be and they are approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.
2. **THAT** in accordance with section 570 of the CA 2006 and the New Articles, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by, as if section 561 (1) of the CA 2006 did not apply to any such allotment, provided that this power shall:
 - (a) be limited to the allotment of equity securities up to an aggregate nominal amount of £90.00; and
 - (b) expire on 31 December 2019 (unless renewed, varied or revoke by the Company prior to or on that date).

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolutions are passed as ordinary resolutions (the “**Ordinary Resolutions**” and together with the Special Resolution, the “**Resolutions**”).

Ordinary Resolutions

3. **THAT** in accordance with section 551 of the Act, the director of the Company be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £90.00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on 31 December 2019 save that the Company may, before

such expiry, make an offer or agreement which would or might require shares to be allotted and the Director may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

4. **THAT**, subject to the passing of Resolution 1, the ten Ordinary Shares held by Victoria Williams be and they are re-designated as A Ordinary Shares.
5. **THAT** subject to the passing of the Special Resolution 1, 2 and Ordinary Resolution 2 the allotment of 45 A Ordinary Shares of £1.00 each and 45 B Ordinary Shares of £1.00 each be and are allotted.

AGREEMENT

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

We undersigned, being the persons entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agree to the Resolutions:

Signed by

V. Williams

Date

20 May 2019

Victoria Williams

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NOTES

1. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - **By Hand:** delivering the signed copy to Jennifer Grabowski, Oglethorpe Sturton & Gillibrand, 16 Castle Park, Lancaster, Lancashire, LA1 1YG;
 - **Post:** returning the signed copy by post to Jennifer Grabowski, Oglethorpe Sturton & Gillibrand, 16 Castle Park, Lancaster, Lancashire, LA1 1YG;
 - **E-mail:** by attaching a scanned copy of the signed document to an e-mail and sending it to Jennifer.Grabowski@osg.co.uk. Please enter "Written resolutions dated _____ 2019" in the e-mail subject box.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. You may not only vote for a single resolution but must vote for all or none.
4. Unless, by the date falling 28 days after the Circulation Date, sufficient agreement has been received for the Resolution to pass, it will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
5. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
6. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

ARTICLES OF ASSOCIATION

of

FBOH LTD

Adopted by a Written Resolution dated 20 May, 2019

OGLETHORPE
STURTON &
GILLIBRAND

Oglethorpe Sturton & Gillibrand LLP
16 Castle Park
Lancaster
LA1 1YG
(Ref: JMG/L17352-1)

VW.
20/5/19

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

FBOH LTD (the "Company")

(Adopted by Special Resolution passed on 20 May, 2019)

INTRODUCTION

1. INTERPRETATION

In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006.

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

A Shares: means the A Ordinary Shares of £1.00 each in the capital of the Company;

Approved Offer: means to acquire all of the shares in issue on equal terms (as to price and consideration method);

B Shares: means the B Ordinary Shares of £1.00 each in the capital of the Company;

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

Close Relation: means a parent, spouse, civil partner, child, grandchild or remoter issue (but excluding step or adopted children);

Conflict: means 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;

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

Group: means the Company, any subsidiary or any holding company of the Company from time to time, and any subsidiary from time to time of a holding company and **member of the Group** shall mean any of them;

holding company: has the meaning given in Article 1.6;

Majority Shareholder: means Victoria Williams or, if Victoria Williams no longer holds any Shares, such person or persons as together are the registered holder(s) for the time being of a simple majority of the Shares in issue from time to time;

Model Articles: means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the date of adoption of these Articles and reference to a numbered Model Article is a reference to that articles of the Model Articles;

Obligatory Transfer Event: has the meaning given to such term in the Shareholders' Agreement;

Shares: means the shares (of any class) in the capital of the Company in issue from time to time;

subsidiary: has the meaning given in Article 1.6;

Shareholders' Agreement: means the agreement (if any) between the Company and its shareholders governing the relationship between them, as amended or replaced from time to time; and

Writing or written: means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of article 16 and article 19, "**writing**" or "**written**" shall not include the sending or supply of notices, documents or information in electronic form (other than by fax).

- 1.1 Unless expressly provided otherwise in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.2 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.3 A reference in these Articles to a numbered Article is a reference to the relevant article of these Articles unless expressly provided otherwise.

- 1.4 Unless expressly provided otherwise in these Articles, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- (a) any subordinate legislation made under it, whether before or after the date of adoption of these Articles; and
 - (b) any amendment or re-enactment, whether before or after the date of adoption of these Articles and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.5 A reference to a holding company or subsidiary means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act 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.
- 1.7 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 1.8 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.
- 1.9 Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) of the Model Articles shall not apply to the Company.
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "**(including alternate directors)**" before the words "**properly incur**".
- 1.11 In article 25(2)(c) of the Model Articles, the words "**evidence, indemnity and the payment of a reasonable fee**" shall be deleted and replaced with the words "**evidence and indemnity**".
- 1.12 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "**either**" and "**or as the directors may otherwise decide**". Article 31(d) of the Model Articles shall be amended by the

deletion of the words "**either**" and "**or by such other means as the directors decide**".

DIRECTORS

2. DIRECTORS' GENERAL AUTHORITY

Any or all powers of the directors (or any of them) shall be restricted in such respects, to such extent and for such duration as the Shareholders may from time to time by determine, whether pursuant to a Special Resolution or a Shareholders' Agreement.

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 Each director has one vote at a meeting of directors.

3.4 A committee of the directors must include at least two directors. The provisions of Article 5 shall apply equally to meetings of any committee of the directors as to meetings 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 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 Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

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

5. CALLING A DIRECTORS' MEETING

5.1 Any director may call a meeting of directors by giving not less than two Business Days' notice of the meeting (or such shorter period of notice as agreed

by all directors) to each director or by authorising the Company secretary (if any) to give such notice.

5.2 Notice of any directors' meeting must be accompanied (wherever practicable) by:

- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
- (b) copies of any papers to be discussed at the meeting.

5.3 A director may waive the requirement to receive an agenda or accompanying papers by giving notice to that effect to a meeting attended by him or in writing to the Company Secretary.

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

6. QUORUM FOR DIRECTORS' MEETINGS

6.1 Subject to Article 6.2, the quorum for the transaction of business at a meeting of directors is any two Eligible Directors or, where there is only one director in office for the time being, that director.

6.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 8 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s) (as defined in Article 8.1), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

7. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

7.1 Subject to section 177(5) and (6) and section 182(5) and (6) of the Act, and provided she has declared the nature and extent of her interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- (a) may be a party to, or otherwise interested in, any 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 existing or proposed transaction or arrangement in which she is interested;
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of

such existing or proposed transaction or arrangement in which she is interested;

- (d) may act by herself or her firm in a professional capacity for the Company (otherwise than as auditor) and she or her firm shall be entitled to remuneration for professional services as if she 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 she may otherwise agree, be accountable to the Company for any benefit which she (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such 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 her duty under section 176 of the Act.

7.2 The provisions of Article 7.1(a) to Article 7.1(f) (inclusive) are subject, where applicable, to any terms and conditions imposed by the directors in accordance with Article 8.3.

8. DIRECTORS' CONFLICTS OF INTEREST

8.1 The directors may, in accordance with the requirements set out in this Article 8 authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (the "**Interested Director**") breaching her duty under section 175 of the Act to avoid conflicts of interest.

8.2 Any authorisation under this Article 8 will be effective only if:

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

- 8.3 Any authorisation of a Conflict under this Article 8 may (whether at the time of giving the authorisation or subsequently) impose on the Interested Director such conditions or limitations, or be granted subject to such terms, as the directors may think fit for the purposes of dealing with the Conflict and the Interested Director will be obliged to conduct herself in accordance with any *such terms and conditions*.
- 8.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, before such revocation or variation, in accordance with the terms of such authorisation.
- 8.5 A director, notwithstanding her office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, any member of the Group and no further authorisation under Article 8.1 shall be necessary in respect of any such interest.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit that she derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles, by the Company or by 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. 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 directors to retain a copy of such decisions.

10. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors shall not be subject to any maximum but shall not be less than one. A sole director shall have all the powers, duties and discretions conferred on or vested in the directors by these Articles.

11. APPOINTMENT AND REMOVAL OF DIRECTORS

- 11.1 For so long as Victoria Williams or Charlotte Rossall hold any Shares, they may at any time and from time to time by notice in writing to the Company appoint themselves to be a director of the Company.

- 11.2 The appointment of any director proposed to be appointed otherwise than pursuant to Article 11.1, shall require the prior approval of the Majority Shareholder.
- 11.3 The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and on such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.
- 11.4 A chairman may be selected by the Board from time to time and shall not have a casting vote.

SHARES AND SHAREHOLDERS

12. ALLOTMENT OF SHARES

- 12.1 The Company may from time to time issue shares of different classes with different rights and restrictions attached to them with the prior written consent of all Shareholder. Without limitation, the powers of the directors under section 550 of the Act are limited accordingly.
- 12.2 Subject to any direction to the contrary that may be given by Special Resolution by the Company, any new shares in the capital of the Company shall, before they are issued, be offered to the holders of Shares in proportion as nearly as possible to the number of Shares held by them and such offer shall be made by notice specifying the number of shares to which the shareholder is entitled and limiting a time (being not less than 15 Business Days) within which the offer if not accepted shall be deemed to be declined (an “Offer Period”). Unless the Board otherwise agrees, any acceptance within the Offer Period must be accompanied by full payment for the new shares.
- 12.3 After the expiration of an Offer Period or on receipt of an intimation from a shareholder to whom the notice is given pursuant to Article 8.1 that she declines to accept the shares, the Directors may with the prior consent of the Majority Shareholder (if any) dispose of the same in such manner as they think most beneficial to the Company (which may include offering new shares to the other Members), provided that any such disposal is completed within sixty Business Days of the expiry of the Offer Period. The provisions of this paragraph shall have effect only insofar as they are not inconsistent with section 551 of the Act.
- 12.4 In accordance with section 567(1) of the Act, sub-section (1) of Section 561 of the Act and sub-sections (1) to (5) inclusive of Section 562 of the Act shall be excluded from applying to the Company.

13. DIVIDENDS

- 13.1 Save in respect of any dividend declared or paid in accordance with article 13.2 and as set out in Article 14 and Article 21, all shares shall rank equally in all respect as if the same constituted single class of shares.
- 13.2 The following provisions shall apply to the declaration and payment of dividends:
- (a) subject to the provisions of the Act and any Shareholders' Agreement, the Company may by ordinary resolution, upon the recommendation of the directors, declare a dividend on any class of share;
 - (b) no dividend shall be declared in respect of any class of Shares in circumstances where the directors recommend that no dividend should be declared nor shall any dividend be declared to any class of Share which exceeds the amount recommended by the directors in respect of that class;
 - (c) the directors may pay interim dividends in such amounts and at such times as they see fit; and
 - (d) the directors may pay different dividends in different classes of Share in such amounts and at such time as they see fit.

14. SHARE RIGHTS

- 14.1 Subject to Article 21, the holders of Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save as provided otherwise in the Act, each such holder present in person or by proxy or by representative shall be entitled on a show of hands or on a poll or written resolution to one vote for each Share held by him.
- 14.2 On a return of assets on liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares), the assets of the Company available for distribution amongst its members after payment of its liabilities shall be distributed to the holders of the Shares as follows:
- (a) first, in paying to the holders of A Shares the amount paid up on those A Shares;
 - (b) second, in paying to the holders of B Shares the amount paid up on those B Shares; and
 - (c) finally, in paying the balance to the holders of Shares, distributed amongst the holders of Shares in proportion to the number of Shares held by them respectively (as if the same constituted a single class of share).
- 14.3 On the transfer or issue of any Share as permitted by these Articles:

- (a) a share transferred or issued to a non- Shareholder shall remain of the same class as before the transfer; and
- (b) a share transferred or issued to a Shareholder shall, unless the Company by ordinary resolution resolves otherwise, be automatically re-designated on transfer or issue as a share of the same class as those Shares already held by the Shareholder.

14.4 The Company shall have a first and paramount lien on every share (whether or not it is a fully paid share) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. The Company shall also have a first and paramount lien on every share (whether or not it is a fully paid share) standing registered in the name of any Shareholder solely or registered in the names of two or more joint holders for all moneys presently payable by him or her estate to the Company. The Directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article.

15. SHARE TRANSFERS

15.1 The directors may refuse to register the transfer of any Share:

- (a) made otherwise in accordance with the provisions of the Shareholders' Agreement and these Articles;
- (b) being a share which is not fully paid;
- (c) on which the Company has a lien;
- (d) unless:
 - (i) it is lodged at the office or such other place in England as the directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
 - (ii) it is in respect of only one class of Share; and
 - (iii) it is in favour of not more than 4 transferees; or
- (e) to a person who is (or whom the directors reasonably believe to be) under 18 years of age who does not have (or whom the directors reasonably believe do not have) the legal capacity to dispose of any share without let, hindrance or court approval; or
- (f) to a trustee in bankruptcy, bankrupt or person of unsound mind.

15.2 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.

15.3 No Shareholder shall transfer any share to any person (other than the Company pursuant to a re-purchase of its own shares in accordance with the terms of the Shareholders' Agreement) except:

- (a) with the prior written consent of all of the other Shareholders; or
- (b) as required by and/or in accordance with the Shareholders' Agreement; or
- (c) to a Permitted Transferee pursuant to Article 15.4; or
- (d) in accordance with the procedure set out in Articles 15.5 to 15.15.

15.4 Permitted Transfers

- (a) A Shareholder (the "**Original Shareholder**") may with the consent of the Majority Shareholder transfer all or any of her Shares to a Close Relation (a "**Permitted Transfer**" and the recipient is a "**Permitted Transferee**") provided that the Permitted Transferee enters into a deed of adherence, agreeing to be bound by the terms of the Shareholders' Agreement;
- (b) If a Permitted Transfer has been made and the Permitted Transferee (or the transmittee(s) of any such person) ceases to be a Close Relation of the Original Shareholder (whether by reason of death, divorce or otherwise) or becomes bankrupt, the Permitted Transferee shall execute and deliver to the Company a transfer of the Shares received from the Original Shareholder still held by him (the "**Relevant Shares**") to the Original Shareholder or to any Close Relation of the Original Shareholder nominated by them within ten Business Days of being required to do so by the Board.
- (c) The provisions of Article 15.4(b) shall not apply where the transmittee(s) of the Permitted Transferee is/are also a Close Relation of the Original Shareholder.
- (d) The price at which a Permitted Transferee shall be required to transfer Relevant Shares shall be the price at which the Relevant Shares were transferred by the Original Shareholder to the Permitted Transferee or such other consideration as may be agreed between them.
- (e) If a Permitted Transferee fails to transfer the Relevant Shares to the Original Shareholder (or to any Close Relation of the Original Shareholder nominated by them), any Director can (on behalf of the Company, acting as the Permitted Transferee's agent) execute a transfer of the Relevant Shares at the price set out in Article 15.4(d).

15.5 Any Shareholder (a "**Seller**") proposing to transfer any Share shall give notice in writing (a "**Transfer Notice**") to the Company specifying details of the proposed transfer, including the number of Shares (the "**Sale Shares**"), the identity of the proposed buyer (if any) and the proposed price for each Sale

Share (the "**Proposed Sale Price**"). The Transfer Notice shall constitute the Company as the Seller's agent for the sale of the Sale Shares at the Proposed Sale Price or the Fair Value agreed or determined pursuant to Article 15.6. Unless all of the Shareholders otherwise agree, a Transfer Notice shall be in respect of all the Shares held by a Seller.

- 15.6 Within twenty Business Days of the receipt of the Transfer Notice the Board shall determine whether the Company is willing and able to buy-back any of the Sale Shares. Any Sale Shares not elected to be purchased by the Company (the "**Remaining Sale Shares**") shall be made available for purchase by the Continuing Shareholders (as defined below).
- 15.7 Within five Business Days of receipt of a Transfer Notice the Company shall send a copy of the Transfer Notice to each Shareholder (excluding the Seller and any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a deemed Transfer Notice under Article 16) (the "**Continuing Shareholders**") together with details of the proportionate entitlement of each Continuing Shareholder to the Remaining Sale Shares (their "**Entitlement**"). The proportionate entitlement of each of the Continuing Shareholder shall be the proportion that the number of Shares held by each Continuing Shareholder bears to the total number of Shares held by all of the Continuing Shareholders.
- 15.8 The Continuing Shareholders (or any of them) or the Board may, by giving notice in writing (a "**Price Notice**") to the Seller and the Company at any time within twenty Business Days of receipt by them of a Transfer Notice, notify the Seller and the Company that the Proposed Sale Price is too high. Following service of a Price Notice, the Seller, the Board and/or the Continuing Shareholders as applicable shall endeavour to agree a price for each of the Sale Shares. If the parties have not agreed such a price within ten Business Days of the Price Notice, the Company shall instruct the Valuers to determine the Fair Value of each Sale Share in accordance with Article 17.
- 15.9 If, following delivery to him of written notice of the Valuers in accordance with Article 17 the Seller does not agree with the Valuers' assessment of the Fair Value of the Sale Shares, she shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders within five Business Days of delivery to him of the written notice of the Valuers. If the Seller revokes the Transfer Notice she shall pay one half of the Valuers' costs for assessing the Fair Value of the Sale Shares (and the Company shall pay the remainder).
- 15.10 Each Continuing Shareholder shall be entitled (but not obliged) to give notice (an "**Acceptance**") to the Company stating that she wishes to purchase a specified number of Remaining Sale Shares at the Sale Price. An Acceptance must be given in writing within thirty Business Days of receipt (or deemed receipt) of a Transfer Notice or, if later, within ten Business Days of receipt of the determination of the Valuers of the Fair Value (and provided the Seller has

not withdrawn the Transfer Notice in accordance with Article 15.9). A Continuing Shareholder may, in her Acceptance, indicate that she would be willing to purchase a number of Sale Shares in excess of her Entitlement ("**Extra Shares**").

- 15.11 On the expiry of the relevant period referred to in Article 15.10, each Continuing Shareholder who has delivered an Acceptance shall be allocated her Entitlement (or such lesser number of Sale Shares for which she has applied). If the total number of Remaining Sale Shares applied for is less than the available number of Remaining Sale Shares, any Extra Shares applied for by a Continuing Shareholder shall be allocated in accordance with her Acceptance. If the total number of Remaining Sale Shares applied for is greater than the available number of Remaining Sale Shares, applications for Extra Shares shall be fulfilled by the Company in accordance with the Acceptances or, in the event of competition, shall be divided among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the Shares held by such Continuing Shareholders.
- 15.12 Once the allocations have been made in respect 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 "**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 him (the "**Consideration**") and the place and time for completion of the transfer of the Sale Shares (which shall be at least 20 Business Days after the date of the Allocation Notice).
- 15.13 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the Sale Shares in accordance with the requirements specified in the Allocation Notice, provided that if a Continuing Shareholder has made an election under the terms of clause 8.5 of the Shareholders' Agreement, payment in full of the consideration shall not be a condition of the transfer.
- 15.14 If the Seller fails to comply with the requirements of the Allocation Notice:
- (a) the Chairman of the Company (or, failing him, one of the other directors, or some other person, nominated by a resolution of the Board) may, on behalf of the Seller:
 - (i) complete, execute and deliver in her name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Consideration (if any is due on Completion) and give a good discharge for it; 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 (if any is due on Completion) into a separate bank account in the Company's name on trust (but without interest) for the Seller until she has delivered her certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 15.15 In relation to any Remaining Sale Shares not allocated to Continuing Shareholders the Seller shall not be entitled to transfer those Remaining Sale Shares to any person unless:
 - (a) the Continuing Shareholders agree otherwise; and
 - (b) the Seller procures that the buyer of Sale Shares shall, at completion, enter into a deed of adherence to the Shareholders' Agreement.

16. MANDATORY TRANSFERS

- 16.1 Where an Obligatory Transfer Event happens to a Shareholder (in this Article the "**Obliged Seller**") it shall give notice of it to the Company as soon as possible and, if it does not, it is deemed to have given notice of the Obligatory Transfer Event to the Company on the date on which the Board becomes aware of the Obligatory Transfer Event (a "**Notice of Obligatory Transfer Event**").
- 16.2 A Notice of Obligatory Transfer Event appoints the Company the agent of the Obliged Seller for the sale of all of the Obliged Seller's shares in the Company in the same manner as if the Seller had delivered a Transfer Notice in respect of them pursuant to Article 15.5 and the provisions of Articles 15.6 to 15.15 shall apply to such shares as if they were Sale Shares 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;
 - (b) the Sale Price shall be the Fair Value of those shares, determined by the Valuers in accordance with Article 17 (but without the need for a Price Notice to be served); and
 - (c) the Seller does not have a right to withdraw the Transfer Notice following a valuation or at any other time.
- 16.3 In the event that the Sale Shares the subject of a deemed Transfer Notice under this Article 16 are not purchased by the Company or a Continuing Shareholder ("**Unsold Shares**"), the relevant Shareholder may retain such Unsold Shares or, in the event that the Seller has died, the Unsold Shares may be transferred in

accordance with the Shareholder's will (or the rules of intestacy, if applicable). The Board may, at any time after the expiry of a deemed Transfer Notice, serve notice on the holder of the Unsold Shares that a new deemed Transfer Notice is deemed to have been given in respect of the Unsold Shares, provided no such notice can be served if a Transfer Notice is currently in place in respect of the Unsold Shares pursuant to Article 15. The provisions of Article 16.2 and the applicable provisions of Article 15 shall apply to each such additional deemed Transfer Notice to the same extent as it applied to the expired deemed Transfer Notice, save that the Fair Value shall be recalculated as at the date of the new deemed Transfer Notice.

- 16.4 Until such time as all of the Unsold Shares have been transferred to another person (whether pursuant to this Article 16 or Article 15), there shall be no limit on the number of additional deemed Transfer Notice that the Company shall be entitled to serve in respect of any remaining Unsold Shares.
- 16.5 From the date of a deemed Transfer Notice to the earliest of the completion of the sale of all of the Sale Shares the subject of the Transfer Notice (including all Unsold Shares), the provisions of Article 21 shall apply to the Sale Shares unless and to the extent that the Board has waived any such requirement.
- 16.6 For so long as a Shareholder holds Unsold Shares, the Shareholder shall be entitled to receive any dividend declared by the Company on the Unsold Shares.

17. **FAIR VALUE**

- 17.1 The **Fair Value** for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
 - (a) any real property owned by the Company is revalued to its market value when calculating the net asset value of the Company;
 - (b) 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;
 - (c) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (d) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (e) the shares are sold free of all restrictions, liens, charges and other encumbrances; and
 - (f) the sale is taking place on the date the Valuers were requested to determine the Fair Value.

17.2 Notwithstanding the generality of Article 17.1, if a deemed Transfer Notice is given as a result of an event of default falling within clause 10.1(d) of the Shareholders' Agreement the Valuers shall reduce the Fair Value by any costs and expenses incurred by the Company that would not have been incurred in the absence of such event or the circumstances.

17.3 For the avoidance of doubt, the assumptions set out in Article 17 shall not be deemed to apply to any valuation of a Shareholder's Shares requested any person for any purposes other than the determination of the Fair Value of any Sale Shares the subject of a Transfer Notice pursuant to these Articles including (but without limitation) for the purposes of administering probate or matrimonial proceedings.

18. TAG ALONG

18.1 No sale or transfer of any interest in any Shares may be made or validly registered if, as a result of such sale or transfer and registration, a Controlling Interest in the Company would be obtained by a person (other than a Shareholder) or persons Acting in Concert (other than with a Shareholder) unless such persons are bona fide arms' length purchasers and have made an Approved Offer.

18.2 Any transfer of shares pursuant to an Approved Offer shall not be subject to the restrictions on transfer contained in these Articles.

19. DRAG ALONG

19.1 If at any time the holders of 60% or more of the Shares in issue for the time being (the "**Majority Sellers**") wish to transfer all their interest in Shares (the "**Majority Sellers' Shares**") to a bona fide third party purchaser or purchasers Acting in Concert (the "**Third Party Purchaser**") who has made an Approved Offer, the Majority Sellers shall have the option (the "**Exit Option**") to require:

- (a) all the other Shareholders; and
- (b) any holders of any options or other rights to acquire or convert an interest into Shares to exercise them,

(together the "**Called Shareholders**") to sell and transfer all their Shares, including those allotted pursuant to such exercise or conversion, (the "**Called Shares**") to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with the provisions of Articles 19.2 to 19.6 below.

19.2 The Majority Sellers may exercise the Exit Option by giving a written notice to that effect (an "**Exit Notice**") at any time before the transfer of the Majority Sellers' Shares to the Third Party Purchaser. An Exit Notice shall specify that the Called Shareholders are required to transfer all their Called Shares pursuant

to this Article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article) and the proposed date of transfer which shall be at least 5 working days after the date on which the Exit Notice is served.

- 19.3 Exit Notices shall be irrevocable but shall lapse if for any reason there is not a sale of the Majority Sellers' Shares by the Majority Sellers to the Third Party Purchaser within 30 working days after the date of service of the Exit Notice. The Majority Sellers shall be entitled to serve further Exit Notices following the lapse of any particular Exit Notice.
- 19.4 The Called Shares shall be acquired on the same terms and conditions (including time of payment and form of consideration) for which the Majority Sellers shall have agreed to sell provided that the Called Shareholders will not be required to provide the Third Party Purchaser with any representations, warranties or indemnities (save as to title and capacity) or give any restrictive covenants or undertakings.
- 19.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Majority Sellers' Shares unless:
- (a) the relevant Called Shareholder and the Majority Sellers agree otherwise; or
 - (b) that date is less than three working days after the Exit Notice where it shall be deferred until the third working day after the Exit Notice.
- 19.6 If any Called Shareholder fails to complete the sale of her Called Shares in accordance with this Article 15.3, she shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Sellers to be her agent and attorney to execute all necessary transfer(s), power(s) of attorney relating to the rights attached to her Called Shares and indemnities for missing share certificate(s) on her behalf and, against receipt by the Company of the purchase monies or any other consideration payable for the Called Shares (held on trust for the relevant Called Shareholder), to deliver such transfer(s), power(s) and indemnities to the Third Party Purchaser (or as she may direct). The directors shall (subject only to stamping of the transfers, if required) immediately register the Third Party Purchaser (or as she may direct) as the holder of the relevant Called Shares. After the Third Party Purchaser (or her nominee) has been registered as the holder of the relevant Called Shares, the validity of such proceedings shall not be questioned by any person. It shall be no impediment to registration of shares under this Article 19.6 that no share certificate has been produced.
- 19.7 Upon any person, following the issue of an Exit Notice which has not lapsed, exercising a pre-existing option to acquire shares, whether or not such person is

registered as a member of the Company, an Exit Notice shall be deemed to have been served upon such person on the same terms as the previous Exit Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Third Party Purchaser or as the Third Party Purchaser may direct and the provisions of this Article 19 shall apply mutatis mutandis to such person save that completion of the sale of such shares shall take place immediately upon the Exit Notice being deemed served on such person where completion of the transfer of the Called Shares has already taken place.

DECISION MAKING BY SHAREHOLDERS

20. QUORUM FOR GENERAL MEETINGS

- 20.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy or, if there is any one person entitled to vote on a particular resolution, that one person 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.
- 20.3 The chairman of the board of directors shall chair general meetings. If the chairman is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint another person present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

21. VOTING

- 21.1 Subject to Article 21.2, 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 herself 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 she is the holder; and on a vote on a written resolution every eligible shareholder has one vote for each share of which she is the holder.
- 21.2 Unless the Board agrees otherwise, the provisions of Article 21:3 apply:
- (a) from the date of the Transfer Notice or deemed Transfer Notice, to any Shares which are the subject of a Transfer Notice or deemed Transfer Notice served under Article 15 or Article 16;
 - (b) from the date of the Transfer Notice or deemed Transfer Notice, to any Unsold Shares; and
 - (c) from the date of issue or transfer, to any Shares issued or transferred to a Seller, where such Shares are issued or transferred after the date of a

deemed Transfer Notice (whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of Shares or otherwise).

- 21.3 Any Shares to which this Article 21.3 applies shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting or on any written resolution of the Company or at any meeting or on any written resolution of the holders of Shares or for the purpose of obtaining any consent required from the Shareholders, whether as required by these Articles or otherwise, and such Shares shall not be counted in determining the number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members or any consent under these Articles or otherwise.
- 21.4 Any rights suspended by the operation of Article 21.3 shall be restored immediately upon:
- (a) withdrawal of the Transfer Notice, if it was delivered under Article 15.5;
 - (b) expiry of the Transfer Notice, if it was delivered under Article 15.5;
 - (c) the Company registering a transfer of the relevant Shares; or
 - (d) a decision of the Board to reinstate such rights (which reinstatement may, at the discretion of the Company, apply to some but not all of the Shares to which Article 21.3 applies).

22. POLL VOTES

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

23. PROXIES

- 23.1 Model Articles 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 the general meeting (or adjourned meeting) to which they relate".
- 23.2 Model Articles 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, unless the

directors, in their discretion, accept the notice at any time before the meeting” as a new paragraph at the end of that Model Articles.

ADMINISTRATIVE ARRANGEMENTS

24. MEANS OF COMMUNICATION TO BE USED

24.1 Subject to Article 24.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

- (a) if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (b) if sent by fax, at the time of transmission; or
- (c) if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
- (d) if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
- (e) if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
- (f) if sent or supplied by e-mail, hour after the notice, document or information was sent or supplied; or
- (g) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
- (h) if deemed receipt under the previous paragraphs of this Article 24.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this articles, all references to time are to local time in the place of deemed receipt.

24.2 To prove service, it is sufficient to prove that:

- (a) if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
- (b) if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- (c) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

- (d) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

25. INDEMNITY AND INSURANCE

25.1 Subject to Article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:
 - (i) in the actual or purported execution and/or discharge of her duties, or in relation to them; and
 - (ii) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings, investigation, action or application referred to in Article 15.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

25.2 This Article 25 does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law and any such indemnity is limited accordingly.

25.3 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.

25.4 In this Article 25:

- (a) associated company means any member of the Group and associated companies shall be construed accordingly;

- (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, any associated company or any pension fund or employees' share scheme of the Company or associated company; and
- (c) a relevant officer means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not she is also a director or other officer), to the extent she acts in her capacity as auditor).