

Company number: 11424078

TRIDENT (FALMOUTH) LIMITED

ARTICLES OF ASSOCIATION
adopted on 1 APRIL 2019



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**PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION OF
TRIDENT (FALMOUTH) LIMITED**

1. Definitions and interpretation

1.1 In these Articles the following definitions will apply:

"Act"	the companies Act 2006
"acting in concert"	has the meaning set out in the City Code on Takeovers and Mergers in force for the time being;
"Adoption Date"	the date of the adoption of these Articles by the Company;
"AK"	Andrew Dennis Kent;
"A1"	PAT Test Plus Limited trading as A1 Appliances;
"A Share"	an A ordinary share of £1.00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;
"B Share"	a B ordinary share of £1.00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;
"Business Day"	any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;
"Change of Control"	the acquisition (by any means) by a Third Party Purchaser of any interest in any Shares if, upon completion of that acquisition, that Third Party Purchaser (together with any person connected with or acting in concert with that Third Party Purchaser) would be entitled to exercise more than 50% of the total voting rights normally exercisable at any general meeting of the Company;
"Compulsory Transfer Shares"	In relation to a Defaulting Shareholder, any Shares: (a) held by the Defaulting Shareholder at the time of the relevant Event of Default; (b) Held at the time of the relevant event of Default by any Family Member of Family Trust of the Defaulting Shareholder; and (c) acquired by the Defaulting Shareholder, his Family Members, Family Trusts and/or personal representatives after the occurrence of the Event of Default pursuant to any share option agreement or any other scheme or arrangement entered into prior to the Event of Default, together with, in any case, any further

Shares received by any person referred to above at any time after the relevant Event of Default by way of rights or on a capitalisation in respect of any of the Shares referred to above;

"Defaulting Shareholder"	Has the meaning given in the definition of "Event of Default"
"Director"	a duly appointed director of the Company for the time being;
"Eligible Director"	a Director who would be entitled to vote on the matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to "eligible directors" in article 8 of the Model Articles shall be construed accordingly;
"Encumbrance"	a mortgage, charge, pledge, lien, option, restriction, right of first refusal, right of pre-emption, right of set-off, third-party right or interest, assignment by way of security, other encumbrance or security interest of any kind or another type of preferential arrangement (including a title transfer or retention arrangement) having similar effect howsoever arising (but excluding any such rights or arrangements arising under these Articles or the Shareholders' Agreement);
"Event of Default"	the occurrence of any of the following events in relation to a Shareholder (a "defaulting Shareholder"): (a) a petition being presented or an order being made for the bankruptcy of the Defaulting Shareholder; (b) the Defaulting Shareholder convening a meeting of his creditors or circulating a proposal in relation to, or taking any other steps with a view to, making an arrangement or composition in satisfaction of his creditors generally; (c) The Defaulting Shareholder being unable to pay his debts as they fall due within the meaning of Section 268 of the Insolvency Act 1986; (d) any step being taken for the appointment of a receiver, manager or administrative receiver over all or any material part of the Defaulting Shareholder's assets, or any other steps being taken to enforce any Encumbrance over all or any material part of the Defaulting Shareholder's assets or any Shares held by the Defaulting Shareholder; (e) any proceedings or orders equivalent or analogous to any of those described in paragraphs (a) to (d) above occurring in respect of the Defaulting Shareholder under the law of any jurisdiction outside England and Wales; (f) the Defaulting Shareholder suffering from mental

disorder and being admitted to hospital or, by reason of his mental health, being subject to any court order which wholly or partly prevents the Defaulting Shareholder from personally exercising any powers or rights which he would otherwise have;

- (g) The Defaulting Shareholder, being an employee or director of, or a consultant (whether in his individual capacity or via a corporate vehicle) to, the Company, ceasing to be such an employee, director or consultant where the Member does not remain, or immediately become, an employee or director of, or a consultant to, the Company;
- (h) The Defaulting Shareholder breaching any provision of these Articles or the Shareholders' Agreement which breach, if capable of remedy, has not been remedied to the reasonable satisfaction of the Remaining Shareholder within 10 Business Days of a notice from the Remaining Shareholders to the Defaulting Shareholder in breach requesting such remedy; or
- (i) the death of the Defaulting Shareholder;

“Expert”

the expert identified and engaged in accordance with article 22;

“Fair Value”

the price which the Expert state in writing to be their opinion of the fair value of the Shares concerned, calculated on the basis that:

- (a) The Fair Value is the sum which a willing buyer would agree with a willing seller on an arm's length sale to be the purchase price for the Shares concerned on a sale of the entire share capital of the Company;
- (b) no account shall be taken of the size of the holding which the relevant Shares comprise or whether those Shares represent a majority or minority interest;
- (c) no account shall be taken of the fact that the transferability of the relevant Shares is restricted under these Articles;
- (d) If the Company is then carrying on business as a going concern, it will continue to do so; and
- (e) any difficulty in applying any of the bases set out above shall be resolved by the Expert as they, in their absolute discretion, think fit.

“Family Member”

In relation to any Shareholder, the spouse or civil partner of that Shareholder and their children (including step and adopted children) for the time being;

“Family Trust”

a trust under which the only persons being (or capable of being) beneficiaries are:

- (a) The settler (being a Shareholder); and/or
- (b) the Family Members of that settler; and
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from that settled property when the trust is created but may become so interested if there are no other beneficiaries for the time being except other charities)

and under which no power of control over the voting powers conferred by any Share is exercisable at any time by, or subject to the consent of, any person other than the trustees, the settler or the Family Members of that settler. For the purposes of this definition:

- (i) **"settler"** shall include a testator or an intestate in relation to a Family Trust arising under a testamentary disposition or an intestacy of a deceased Shareholder (as the case may be); and
- (ii) **"Family Member"** shall include the widow or widower of the settler or the surviving civil partner of such settler at the date of his death;

"Good Leaver"

a Shareholder who ceases to be an employee or director of, or a consultant (whether in his individual capacity or via a corporate vehicle) to, the Company in the circumstances set out in item (g) of the definition of "Event of default" in this article 1.1 as a result of:

- (a) the death of that Member;
- (b) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs where a Majority resolves that such ill health is preventing, or is likely to prevent, the Member from performing his normal duties;
- (c) the sale or disposal of the Company (or the business of the Company) by which he is engaged or employed;
- (d) the Shareholder being made redundant by the Company;
- (e) the Shareholder voluntarily choosing to retire from the Company with the consent of a Majority;
- (f) the termination of that Shareholder's employment by the Company in circumstances that are determined by a decision of an Employment Tribunal or Court, which decision is final and no longer appealable, to be or amount to wrongful dismissal where the Shareholder

has commenced proceedings in respect of such claim within 3 months of the date of cessation of Shareholder's employment (determined in accordance with article 8.7);

- (g) the service contract of that Shareholder being terminated by the Shareholder or, in relation to a non-executive director or consultant only, the agreement pursuant to which that Shareholder provides services to the Company being terminated by that Shareholder in circumstances that are determined by a decision of an Employment Tribunal or Court, which decision is final and no longer appealable to be or amount to either constructive dismissal or a repudiatory breach by that company (as the case may be) where the Shareholder has commenced proceedings in respect of such claim within 3 months of the date of termination of the contract of agreement.
- (h) the Shareholder having been dismissed by the Company in circumstances that are determined by a decision of an Employment Tribunal or court, which decision is final and no longer appealable to be or amount to unfair dismissal (other than on procedural grounds) where the Shareholder has commenced proceedings in respect of such claim within 3 months of the date of termination of the contract or agreement; or
- (i) any other reason which a Majority determine, in its absolute discretion within 20 Business Days of the Shareholder ceasing to be employed or engaged by the Company, shall result in the Shareholder being a Good Leaver for the purposes of these Articles;

"Issue Price"

in relation to any Share, the amount paid up or credited as paid up on such Share, including the full amount of any premium at which such Share was issued;

"LS"

Luke Peter James Sleeman;

"MG"

Martin Carl Gerrelli;

"Majority"

the holder(s) for the time being of not less than 50% of the A Shares together with the holder(s) for the time being of not less than 50% of the B Shares;

"Model Articles"

the model articles for private companies limited by shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date;

"RB"

Ronald John Bull;

"Relevant Shareholder"

has the meaning given in article 8.1

“Relevant Securities”	any Shares, or any right to subscribe for or convert any securities into any Shares;
“Remaining Shareholders”	following the occurrence of an Event of Default, any Shareholders, other than the Relevant Shareholders, who together hold not less than 50% of the A Shares and 50% of the B Shares not then held by the Relevant Shareholders (save where the Relevant Shareholder is MG in which case any Shareholders who together hold not less than 50% of the S Shares shall constitute the Remaining Shareholders for the purposes of the definition);
“Sale Shares”	has the meaning given in article 7.1.3.1;
“Share”	any share of any class in the capital of the Company for the time being;
“Shareholder”	a registered holder for the time being of an issued Share, as recorded in the register of members of the Company;
“Shareholders’ Agreement”	the agreement dated on the Adoption Date and made between the Company and the Shareholders on that date;
“SN”	Simon John Norris;
“Third Party Purchaser”	any person who is not a Shareholder for the time being or a person connected with such a Shareholder; and
“Transfer Notice”	a notice in accordance with article 7 that a Shareholder wishes to transfer his shares.

1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the articles of association of the company

1.3 In these Articles a reference to:

- 1.3.1 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the Adoption Date and any subordinate legislation made under the statutory provision before or after the Adoption Date;
- 1.3.2 a “subsidy” shall include a reference to a “subsidy” and a “subsidiary undertaking” (each as defined in the Act) and a reference to a “holding company” shall include a reference to a “holding company” and a “parent undertaking” (each as defined in the Act);
- 1.3.3 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists);
- 1.3.4 writing includes any mode of reproducing words in a legible and non-transitory form;
- 1.3.5 “these Articles” is to these articles of association (including the provisions of the Model Articles incorporated in them), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act; and

1.3.6 Any agreement or document[†] is to that agreement or document as in force for the time being and as amended from time to time in accordance with the terms of that agreement or document or with the agreement of all the relevant parties.

1.4 The contents table and headings in these Articles are for convenience only and do not affect the interpretation or construction of these Articles;

1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.6 The words “other”, “include”, “including” and “in particular” do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.

1.7 Any question as to whether a person is connected with another shall be determined in accordance with section 1122 of the Corporation Tax Act 2010 (except that in construing section 1122 “control” has the meaning given by section 1124 or section 450 of that Act so that there is control whenever section 1124 or 450 requires which shall apply in relation to these Articles as it applies in relation to that Act.

1.8 These Articles shall be binding on and shall survive for the benefit of the personal representatives and successors-in-title of each party.

2. Rights attaching to Shares

2.1 The shares of each class of Share shall entitle the holders thereof to the respective rights and obligations set out in these Articles. Save as provided otherwise in these Articles, the A shares and the B Shares shall confer the same rights upon the holders thereof.

2.2 The rights attaching to the Shares are as follows:

2.2.1 Income

Any profits available for distribution and resolved to be distributed in respect of any accounting period of the Company may (but without any obligation) be distributed amongst the Shareholders of such classes of Shares in such varying or similar amounts as the Directors (subject to the provisions of the Shareholders Agreement and subject to the consent of a Majority) may recommend or determine.

2.2.2 Capital

On a return of capital, whether on liquidation, capital reduction or otherwise (but excluding a purchase of own shares), any surplus assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Shareholders pro rata according to the number of Shares held by each of them respectively, as if such Shares constituted one class of share.

2.2.3 Voting

Subject to article 8.4.2, and the provisions of the Act, at a general meeting of the Company on a show of hands every Shareholder who (being an individual) is present in person or by proxy, or (being a corporation) is present by a representative duly authorised under section 323 of the Act, shall have one vote and on a poll every Shareholder present in person, by representative or by proxy shall have one vote for every Share of which it is the holder. On a written resolution every Shareholder shall have one vote for each Share of which it is the holder.

3 Variation of class rights

- 3.1 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of Shares or with the consent in writing from the holder of at least three-quarters in nominal value of the issued Shares of that class. Where a special resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Share, all the provisions of these Articles as to general meetings of the company shall apply (*mutatis mutandis*) except that the necessary quorum for such a meeting shall be one holder of the relevant class, present either in person, by proxy or by duly appointed corporate representative (and for this purpose one such person may constitute a meeting).
- 3.2 Without prejudice to the generality of their rights, the special rights attaching to the B Shares shall be deemed to be varied at any time by any of the following occurring without class consent:
- 3.2.1 any variation to the share capital of the Company or the rights attaching to any of the Shares, or the creation, allotment, issue or redemption of any shares or securities or the grant of, or agreement to grant, any option or right to require the allotment or issue of, or subscribe for, or convert any instrument into any share or securities of the Company or cancelling or accepting the surrender of any such right to subscribe or convert;
 - 3.2.2 any alteration to the constitution (as defined in Section 17 of the Act) of the Company; and
 - 3.2.3 instituting any proceedings or taking any steps in relation to or in preparation for the winding up, administration or dissolution of, or the appointment of an administrator, administrative receiver, receiver or manager (or any comparable proceedings) in respect of, the Company or any of the assets or undertaking of the company.

4 Issue of Shares

- 4.1 Notwithstanding any other provision of these Articles, the maximum issued share capital of the Company shall be £100 divided into 80 A Shares and 20 B Shares provided that the restriction in this article 4.1 shall not be breached as a result of any conversion or reclassification of Shares made in accordance with the provisions of these Articles.
- 4.2 No Relevant Securities shall be allotted by the Company unless within 20 Business Days prior to the allotment of such Relevant Securities a Majority has consented in writing to such allotment and to the identity of the proposed allottee.
- 4.3 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.
- 4.4 Notwithstanding any other provision of these articles, no Share shall be allotted to a person who is not already a party to the Shareholders' Agreement unless that person has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement.
- 4.5 Where any Share is issued to an existing Shareholder holding Shares, such new Share shall, unless a Majority agrees otherwise, on and from the time of registration of the allotment of that Share in the register of members of the Company, be immediately and automatically (without resolution of the Shareholders or Directors) re-designated as a Share of the same class as the Shares already held by such Shareholder.

5 Transfer of Shares - general

- 5.1 Subject to articles 5.2 and 5.3, the Directors shall forthwith register any duly stamped transfer

made in accordance with, or permitted by, these Articles and the Directors shall not register any transfer of Shares which is not so made or permitted. Article 26(5) of the Model Articles shall not apply to the Company.

5.2 No transfer, other than one made under article 9, shall be registered unless the relevant transferee, if not already a party to the Shareholders' Agreement, has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement.

5.3 For the purposes of ensuring that:

5.3.1 a transfer of any Share is in accordance with these Articles; or

5.3.2 no circumstances have arisen whereby a Shareholder is required to give or may be deemed to have given a Transfer Notice in respect of any Share; or

5.3.3 no circumstances have arisen whereby the provisions of the article 9 are required to be or ought to have been triggered.

the Directors may from time to time and shall, if so requested to do by a Majority, require any Shareholder to provide, or to procure that any person named as the transferee in any transfer lodged for registration or any other person whom the Directors or a Majority reasonably relieve to have information relevant to such purpose provides, such information and evidence as the Directors or a Majority may reasonably require for such purpose. Pending such information or evidence being provided, the Directors are entitled to and shall, if so requested to do by a Majority, refuse to register any relevant transfer of Shares.

5.4 If any information or evidence provided pursuant to article 5.3 discloses to the reasonable satisfaction of a Majority that circumstances have arisen whereby a Shareholder may be required to give or be deemed to have given a Transfer Notice, the Directors may, with the consent of a Majority (and shall, if so required to do by a Majority), by notice in writing to the relevant Shareholder, require that a Transfer Notice be given in respect of the Shares concerned.

5.5 In any case where a Shareholder is required to give a Transfer Notice in accordance with the provisions of these Articles and such Transfer Notice is not duly given within a period of 10 Business Days of written notice from the Directors to the relevant Shareholder requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 10 Business Days.

5.6 Notwithstanding any other provision of these Articles, an obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from all Encumbrances.

5.7 Notwithstanding any other provision of these Articles, no transfer of any Share which is the subject of a Transfer Notice shall be permitted pursuant to article 6.

5.8 Where any Share is transferred to an existing Shareholder, such Share shall, unless a Majority agrees otherwise on and from the time of registration of the transfer of that share in the register of members of the Company, be immediately and automatically (without resolution of the Shareholders or Directors) re-designated as a Share of the same class as the Shares already held by such Shareholder.

6. Permitted transfers

6.1 Transfer with consent

Any shares may be transferred at any time with the prior written consent of a Majority.

6.2 Transfer to a Family Member

- 6.2.1 Subject to articles 6.2.2 and 6.2.3, any Shareholder may at any time transfer any of the Shares held by him to one or more of his Family Members.
- 6.2.2 No transfer of Shares shall be permitted pursuant to article 6.2.1 if the registration of that transfer would result in the number of Shares held by the relevant transferor representing less than 50% of the total number of Shares held from time to time by that transferor, his Family Members and/or any Family Trust where he is the settler.
- 6.2.3 Where any Shareholder (in this article 6.2.3 the “**transferor**”) transfers Shares to a Family Member (in this article 6.2.3 the “**transferee**”) the transferor shall procure, before the transfer is presented for registration, that he is appointed, on terms reasonably satisfactory to a Majority, as the attorney of the transferee to exercise, in the name of and on behalf of the transferee, all or any of the rights in relation to the Shares transferred to him and with full (unconditional and irrevocable) authority to sell those Shares on behalf of the transferee. For this purpose the transferee authorises the Company to send any written resolutions, notices or other communications in respect of the Shares registered in the name of the transferee to the transferor.
- 6.2.4 Where, following a transfer of Shares pursuant to article 6.2.1, the transferee of those Shares ceases for any reason to be a Family Member of the original transferor of those Shares, or one of the events specified in paragraphs (a) to (f) in the definition of Event of Default occurs in relation to the transferee, such transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) shall within 20 Business Days of a written request to do so from the Directors or a Majority, transfer all the Shares held by him (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) to the original transferor failing which the Directors may (and shall, if so requested to do by a Majority) either authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) and register the original transferor of those Shares as the holder of such Shares.
- 6.2.5 A Family Member to whom Shares have been transferred pursuant to this article 6.2 may transfer those Shares back to the original transferor at any time but may not otherwise transfer such Shares pursuant to this article 6.2 or article 6.3 without the prior written consent of a Majority.
- 6.2.6 For the avoidance of doubt, the provisions of article 6.2.4 shall apply in priority to the provisions of article 8 in relation to a transfer of Shares required following the occurrence of one of the events in paragraphs (a) to (f) in the definition of Event of Default in relation to a transferee.

6.3 Transfer to a Family Trust

- 6.3.1 Subject to consent of a Majority and article 6.3.2, any Shareholder may at any time transfer any of the Shares held by him to one or more trustees to be held on a Family Trust where he is the settler.
- 6.3.2 No transfer of Shares shall be permitted pursuant to article 6.3.1 if the registration of that transfer would result in the number of Shares held by the relevant transferor representing less than 50% of the total number of Shares held from time to time by that transferor, his Family Members and/or any Family Trust of his (where such Family Member or Family Trust where he is the settler).
- 6.3.3 Where any Shares are held by a trustee(s) on a Family Trust, those Shares may be

transferred to:

- 6.3.3.1 any new trustee(s) of the Family Trust appointed on a change in trustee(s);
 - 6.3.3.2 the settler of such Family Trust (provided that, for clarity, such settler is a Shareholder);
 - 6.3.3.3 The trustees of another Family Trust which has the same settler; or
 - 6.3.3.4 any Family Member of the settler of such Family Trust on their becoming entitled to such Shares under the terms of the Family Trust.
- 6.3.4 Where any Shares are held by a trustee(s) on a Family Trust and either:
- 6.3.4.1 the relevant trust ceases to be a Family Trust in relation to the respective settler; or
 - 6.3.4.2 there ceases to be any beneficiaries of the Family Trust other than charities

the trustee(s) shall forthwith, and in any event within 20 Business Days of the date on which the trust ceased to be such a Family Trust or there ceased to be any beneficiaries as above, transfer all the Shares held by them to the member who originally transferred the Shares to the Family Trust pursuant to this article 6.3, failing which the Directors may (and shall, if so requested to do by a Majority) either authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee and register the original transferor of those Shares as the holder of such Shares or require such trustee(s) to serve a Transfer Notice in respect of all the Shares held by them in which case the provisions of article 7 shall apply.

7. Pre-emption on transfer of Shares

7.1 Transfer Notice

- 7.1.1 Except as permitted under article 6 (Permitted Transfers) or as provided for in article 9 (Tag Along), and subject to article 7.1.2, any Shareholder (a **"Seller"**) who wishes to transfer any Share (or any interest in any Share) shall, before transferring or agreeing to transfer such Share (or interest), give notice in writing (a **"Transfer Notice"**) to the company of its wish.
- 7.1.2 A Relevant Shareholder in respect of whom a Default Notice has been served pursuant to article 8 may not serve a Transfer Notice under this article 7.
- 7.1.3 Subject to article 7.1.4, a Transfer Notice shall:
 - 7.1.3.1 state the number and class of Shares (or interest in Shares) (the **"Sale Shares"**) which the Seller wishes to transfer;
 - 7.1.3.2 state the name of the person to whom the Seller wishes to transfer the Sale Shares;
 - 7.1.3.3 state the price per Sale Share (the **"Proposed Price"**) at which the Seller wishes to transfer the Sale Shares;
 - 7.1.3.4 state if the Transfer Notice is conditional upon all (and not only part) of the Sale Shares being sold pursuant to this article 7 (a **"Total Transfer Condition"**)

- 7.1.3.5 relate to only one class of Share;
 - 7.1.3.6 constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this article 7; and
 - 7.1.3.7 not be capable of variation of cancellation without the consent of all the Shareholders other than the Seller.
- 7.1.4 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these Articles;
- 7.1.4.1 it shall relate to all the Shares registered in the name of the Seller;
 - 7.1.4.2 it shall not contain a Total Transfer Condition;
 - 7.1.4.3 the Transfer Price shall be determined in accordance with articles 7.2.1.2 and 7.2.1.3;
 - 7.1.4.4 it shall be irrevocable; and
 - 7.1.4.5 subject to article 5.5, the Seller may retain any Sale Shares for which Buyers (as defined in article 7.4.2) are not found provided that the Seller shall not at any time thereafter be permitted to transfer all or any of such retained Sale Shares pursuant to article 6.

7.2 **Transfer Price**

- 7.2.1 The Sale Shares will be offered for sale in accordance with this article 7 at the following price (the “**Transfer Price**”)
- 7.2.1.1 subject to the consent of a Majority, the Proposed Price; or
 - 7.2.1.2 such other price as may be agreed between the Seller and the Directors, with the consent of a Majority, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice; or
 - 7.2.1.3 if no price is agreed pursuant to article 7.2.1.2 within the period specified in that article, or if a Majority directs at any time during that period, whichever is the lower of (i) the Proposed Price and (ii) the Fair Value determined in accordance with article 7.2.2
- 7.2.2 If the Seller and the Directors are unable to agree on the Transfer Price in accordance with article 7.2.1.2 or if a Majority directs in accordance with article 7.2.1.3, the Directors shall forthwith instruct the Expert to determine and certify the Fair Value of each Sale Share.
- 7.2.3 The decision of the Expert (who shall be deemed to act as an expert and not as an arbitrator) shall be final and binding on the Shareholders, save in the event of fraud or manifest error, and their costs for reporting on their opinion of the Fair Value shall, subject to article 7.2.4, be borne as directed by the Expert (taking into account the conduct of the parties) or, in the absence of any such direction, as to one half by the Seller and the other half by the Company.
- 7.2.4 Where in the case of a Transfer Notice which is deemed to have been given by virtue of any provision of these Articles, the Fair Value is less than the price proposed by the Directors to the Seller not less than 5 Business Days prior to receipt of the Experts’ report by the company, then the Experts’ fees shall be borne wholly by the Seller.

7.3 Offer Notice

- 7.3.1 Subject to article 7.3.2, the Directors shall serve a notice (an **"Offer Notice"**) on all Shareholders within 10 Business Days of the Transfer Price being agreed or determined in accordance with these Articles.
- 7.3.2 An Offer Notice shall not be sent to, and no Sale Shares shall be treated as offered to:
- 7.3.2.1 the Seller
 - 7.3.2.2 any Shareholder who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given a Transfer Notice in respect of any Shares registered in his name; and
 - 7.3.2.3 any Relevant Shareholder upon whom a Default Notice has been served pursuant to article 8.
- 7.3.3 An Offer Notice shall:
- 7.3.3.1 state the Transfer Price;
 - 7.3.3.2 contain the other relevant information set out in the Transfer Notice;
 - 7.3.3.3 Invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase; and
 - 7.3.3.4 expire, and the offer made in that notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on a date (which is not less than 20 nor more than 40 Business Days after the date of service of the Offer Notice) specified therein.

7.4 Allocation of Sale Shares

- 7.4.1 After the expiry of the period specified in the Offer Notice or, if sooner, upon all Shareholders to whom an Offer Notice was sent having responded to that Offer Notice (in either case the **"Allocation Date"**), the Directors shall allocate the Sale Shares in accordance with the applications received provided that:
- 7.4.1.1 if there are applications for more than the number of Sale Shares available, the Sale Shares shall be allocated to the relevant applications in proportion (as nearly as practicable but without allocating to any application more Sale Shares than he applied for) to the number of Shares held by each of them respectively;
 - 7.4.1.2 the allocation of any fractional entitlements to Sale Shares amongst the Shareholders shall be dealt with by the Directors, with the consent of a Majority, in such manner as they see fit; and
 - 7.4.1.3 no Sale Shares shall be allocated to:
 - 7.4.1.3.1 any Shareholder who, at the Allocation Date, is bound to give, or has given or is deemed to have given a Transfer Notice in respect of any Shares registered in his name; or
 - 7.4.1.3.2 Any Relevant Shareholder upon whom a Default notice

has been served pursuant to article 8

- 7.4.2 Within 5 Business Days of the Allocation Date the Directors shall give notice in writing (an **"Allocation Notice"**) to the Seller and each Shareholder to whom Sale Shares have been allocated pursuant to article 7.4.1 (each a **"Buyer"**). An Allocation Notice shall state:
- 7.4.2.1 the number and class of Sale Shares allocated to that Buyer;
 - 7.4.2.2 the name and address of the Buyer;
 - 7.4.2.3 the aggregate purchase price payable by the Buyer in respect of the Sale Shares allocated to him;
 - 7.4.2.4 the information (if any) required pursuant to article 7.4.4; and
 - 7.4.2.5 subject to article 7.4.4, the place, date and time (being not less than 2 nor more than 5 Business Days after the date of service of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place.
- 7.4.3 Subject to article 7.4.4, completion of sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) in respect of those Shares, to that Buyer.
- 7.4.4 If the Transfer Notice contained a Total Transfer Condition and the total number of Shares applied for and allocated to the Buyers in accordance with article 7.4.1 is less than the total number of Sale Shares then:
- 7.4.4.1 the Allocation Notice will refer to the Total Transfer condition and will contain a further offer (the **"Further Offer"**) to the Buyers inviting them to apply for further Sale Shares at the Transfer Price;
 - 7.4.4.2 the Further Offer shall expire, and shall be deemed to be withdrawn, upon the expiry of the period (being not more than 20 Business Days) specified in the Allocation Notice;
 - 7.4.4.3 any Sale Shares accepted by the Buyers pursuant to the Further Offer shall be allocated amongst them in accordance with the provisions of articles 7.4.1.1 and 7.4.1.2; and
 - 7.4.4.4 following the allocation of any Sale Shares amongst the Buyers in accordance with article 7.4.4.3, and provided all the Sale Shares have then been allocated, the Directors shall issue revised Allocation Notices in accordance with article 7.4.2 but omitting article 7.4.2.4
- 7.4.5 Subject to article 7.4.6, the service of an Allocation Notice (or a revised Allocation Notice in accordance with article 7.4.4) shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified in that notice on the terms offered to that Buyer.
- 7.4.6 If after following the procedure set out in this article 7 the total number of shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then:
- 7.4.6.1 if the Transfer Notice contained a Total Transfer Condition, then notwithstanding any other provision of this article 7 no Sale Shares shall be

deemed to have been allocated to any Buyer and the Seller and the Buyers shall not be bound to sell or purchase any Sale Shares in accordance with this article 7; and

- 7.4.6.2 the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares.

7.5 Default by the Seller

- 7.5.1 If a Seller shall fail for any reason to transfer any Sale Shares to a Buyer when required by this article 7, the Directors may (and will, if requested to do so by a Majority) authorise and instruct any Director to execute each necessary transfer of Sale Shares on the Seller's behalf and to deliver that transfer to the relevant Buyer.
- 7.5.2 The Company may receive the purchase money from a Buyer on behalf of the Seller and thereafter shall, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to him. The receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it) and after the Buyer has been registered in purported exercise of the power conferred by this article 7.5 the validity of the proceedings shall not be questioned by any person.
- 7.5.3 The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered the share certificate(s) in respect of the relevant Shares (or a suitable indemnity or other documentation if an interest in Shares is being transferred, in each case in a form reasonably satisfactory to the Directors) to the Company.

7.6 Transfers following exhaustion of pre-emption rights

If any Sale Shares are not allocated to a Buyer under any of the foregoing provisions of this article 7 the Seller may, at any time within 3 calendar months of the date of service of the notice referred to in article 7.4.6.2 sell any of those unallocated Sale Shares to the person named in the Transfer Notice at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser) provided that:

- 7.6.1 no Sale Shares shall be sold to, and the Directors shall not register a transfer to, a person who is not already a Shareholder without the prior written consent of a Majority;
- 7.6.2 if the Transfer Notice contained a Total Transfer Condition, the Seller shall not be entitled to sell only some of the Sale Shares without the prior written consent of a Majority; and
- 7.6.3 the Directors shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 9 until such time as that offer has been made and, if accepted, completed

8. Compulsory transfers

- 8.1 Subject to article 6.2.6, if an Event of Default occurs in relation to a Shareholder then the Remaining Shareholders may, without prejudice to any other rights or remedies which they may have, at any time within 20 Business Days of becoming aware of the relevant Event of Default serve written notice a "**Default Notice**") on the Defaulting Shareholder and any other Shareholder holding Compulsory Transfer Shares (together the "**Relevant Shareholders**") , and on the Company, notifying them that the relevant event is an Event of Default in relation to the Relevant Shareholders.

- 8.2 If no Default Notice is served within the period of 20 Business Days referred to in article 8.1, the relevant Event of Default is deemed to have lapsed.
- 8.3 If a Shareholder becomes aware of any event which gives rise to, or which may with the passing of time give rise to, an Event of Default in respect of a Shareholder, that Shareholder shall forthwith give notice thereof to the Directors and the other Shareholders.
- 8.4 Upon service of a Default Notice:
- 8.4.1 no further Shares shall be issued or required to be offered under any provision of these Articles to the Relevant Shareholders;
 - 8.4.2 the Relevant Shareholders shall cease to be required in order to form a quorum at meetings of Shareholders or to be entitled to exercise any voting rights in respect of the Compulsory Transfer Shares registered in their name; and
 - 8.4.3 Save as set out in this article 8, a Relevant Shareholder may not sell or dispose of any of the Compulsory Transfer Shares or any interest in any of the Compulsory Transfer Shares.
- 8.5 Upon service of a Default Notice each Relevant Shareholder shall be deemed to have served a Transfer Notice in respect of all the Compulsory Transfer Shares then held by each of them respectively. Such Transfer Notice shall be deemed to have been served on the same date that the relevant Default Notice is served and shall supersede any current Transfer Notice in respect of any Transfer Shares. Following deemed service of a Transfer Notice pursuant to this article 8.5, the Compulsory Transfer Shares shall be offered for sale in accordance with the provisions of article 7 as if the Compulsory Transfer Shares were Sale Shares except that where the relevant Transfer Event falls within the provisions of item (g) of the definition of "Event of Default" in article 1.1, the Transfer Price in respect of the Compulsory Transfer Shares shall be:
- 8.5.1 where the Relevant Member is a Bad Leaver, whichever is the lower of:
 - 8.5.1.1 their Fair Value; and
 - 8.5.1.2 their Issue Price,provided that a Majority may at any time by notice to the Company specify that in respect of any particular Relevant Shareholder the Transfer Price for all Compulsory Transfer Shares shall, on that occasion, be the issue Price (in which case there shall no need in respect of that Relevant Member on that occasion to establish the Fair Value) and the Transfer Price shall be determined by the notice served pursuant to this article 8.5.1 on the date upon which such notice is received at the registered office of the Company; or
 - 8.5.2 where the Relevant Shareholder is a Good Leaver, their Fair Value.
- 8.6 Any dispute as to whether the provisions of article 8.5.1 or 8.5.2 apply in relation to any Compulsory Transfer Notice shall not affect the validity of a Compulsory Transfer Notice nor shall it delay the procedure to be followed under article 7 in respect of such notice. If, however, the Issue Price is less than the Fair Value any Buyer acquiring Compulsory Transfer Shares pursuant to a Compulsory Transfer Notice while such dispute is continuing shall pay to the Seller whichever is the lower of their Fair Value and their Issue Price and shall, in addition, pay to the Company an amount equal to the difference between their Fair Value and their Issue Price. The Company shall hold such amount as trustee in a separate interest-bearing account and shall, upon final resolution of the relevant dispute, pay such amount (together with interest in such amount but less any applicable bank charges) to:

- 8.6.1 the Seller, in respect of any Compulsory Transfer Shares which are determined to be sold for their Fair Value; or
 - 8.6.2 the Buyer, in respect of any Compulsory Transfer Shares which are determined to be sold for their Issue Price.
- 8.7 For the purpose of item (g) of the definition of “Event of Default” in article 1.1, the date of cessation of a Shareholder’s employment, directorship or engagement shall be (or deemed to be) whichever is the first to occur of:
- 8.7.1 the date of notice given by the Company to the Shareholder terminating (or purporting to terminate) that Shareholder’s employment, directorship or engagement with the Company (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice constitutes unfair or wrongful dismissal;
 - 8.7.2 the date of notice given by a Shareholder to the Company terminating (or purporting to terminate) that Shareholder’s employment, directorship or engagement with the Company (or, if later, the date specified in any such notice as being the termination date), regardless of whether any such notice may lawfully be given by the Shareholder;
 - 8.7.3 the date on which a repudiatory breach of any contract of employment or engagement by either the Shareholder or the company is accepted by the other party to that contract;
 - 8.7.4 The date of any event which results in the termination of the contract of employment or engagement under the doctrine of frustration; or in any circumstances other than those specified in articles 8.7.1 to 8.7.4, the date on which the Shareholder actually ceases to be employed or engaged by the Company.

9. Tag along

- 9.1 Save in the case of a transfer of Shares which is permitted in accordance with the provisions of article 6, but otherwise notwithstanding any other provision of these Articles, no sale or other disposition of any Shares (the “**Committed Shares**”) which would result in a Change of Control shall be made or registered unless before the transfer is lodged for registration:
- 9.1.1 a Majority has consented to such transfer; and
 - 9.1.2 the relevant Third Party Purchaser has made a bona fide offer (a “**Tag Along Offer**”) by notice in writing (a “**Tag Along Notice**”) to acquire in accordance with this article 9, from all the Shareholders other than the Third Party Purchaser (or persons connected with or acting in concert with him) all the Shares which are not Committed Shares (the “**Uncommitted Shares**”) for the consideration, or at the price, (the “**Tag Along Consideration**”) calculated in accordance with articles 9.3 and 9.4.
- 9.2 A Tag Along Notice shall:
- 9.2.1 state the Tag Along Consideration (subject to article 9.4)
 - 9.2.2 state the identity of the relevant Third Party Purchaser;
 - 9.2.3 invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer; and

9.2.4 Subject to article 9.4.1, expire, and the offer made in the Tag Along Notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date (being not less than 5 nor more than 20 Business Days after the date of service of the Tag Along Notice) specified in the Tag Along Notice.

9.3 For the purposes of this article 9 the Tag Along Consideration shall be the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Committed Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Committed Shares.

9.4 If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 75% of the Uncommitted Shares within 10 Business Days of the date of service of the Tag Along Notice, such matter shall be referred for determination to the Auditors (in accordance with article 22) and, pending their determination:

9.4.1 the period specified in the Tag Along Notice for acceptance of the Tag Along Offer shall not start to run until such time as the Auditors' determination of the Tag Along Consideration is served on the Third Party Purchaser and the Shareholders holding Uncommitted Shares; and

9.4.2 the sale or transfer of the committed Shares shall have no effect and shall not be registered.

10 General meetings

10.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Subject to article 10.2, three Shareholders who shall together constitute a Majority, present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.

10.2 Any Relevant Shareholder in respect of whom a Default Notice has been served pursuant to article 8 shall not be required in order to form a quorum at any general meeting.

10.3 Article 4.1 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article: "if within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the meeting shall be dissolved".

10.4 The chairman of the board of Directors for the time being shall chair general meetings.

10.5 A poll may be demanded at any general meeting by:

10.5.1 the chairman; or

10.5.2 By any Shareholder present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.

Article 44(2) of the Model Articles shall not apply to the Company.

10.6 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that article: "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made".

10.7 Article 45(1) of the Model Articles shall be amended as follows:

10.7.1 by the deletion of the words in Article 45(1)(d) and the insertion of the following in their place "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 exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate."; and

10.7.2 by the insertion of the following as a new paragraph at the end of Article 45(1): "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion".

11. Appointment and removal of Directors

11.1 Subject to the prior written consent of a Majority, the number of Directors (other than alternate directors) shall not be more than four comprising LS, RB, SN and AK.

11.2 Article 17 of the Model Articles shall not apply to the Company.

11.3 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 27(3) of the Model Articles shall be modified accordingly.

12. Appointment of chairman

12.1 The chairman of the board of Directors shall be a Director nominated and approved in writing by Shareholders constituting a Majority. Article 12 of the Model Articles shall not apply to the Company.

12.2 If the chairman for the time being is unable to attend any meeting of the Directors then the Shareholders who appointed him shall be entitled to nominate another Director to act as chairman of that meeting.

13. Alternate Directors

13.1 Any Director (in this article 13, an "**appointor**") may appoint as an alternate any other Director, or any other person approved by a Majority in writing from time to time, to:

13.1.1 exercise that Director's powers; and

13.1.2 Carry out that Director's responsibilities

In relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.

13.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor.

13.3 The notice must:

13.3.1 identify the proposed alternate; and

13.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

13.4 An alternate Director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.

13.5 Save as provided otherwise in these Articles, alternate directors:

13.5.1 are deemed for all purposes to be Directors;

13.5.2 are liable for their own acts and omissions;

13.5.3 are subject to the same restrictions as their appointors; and

13.5.4 Are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.

13.6 A person who is an alternate Director but not a Director:

13.6.1 May be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

13.6.2 May participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate); and

13.6.3 Shall not be counted as more than one Director for the purposes of articles 13.6.1 and 13.6.2

13.7 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.

13.8 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.

13.9 The appointment of an alternate director terminates:

13.9.1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate;

13.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;

13.9.3 on the death of the alternate's appointor;

13.9.4 when the appointment of the alternate's appointor as a Director terminates; or

13.9.5 when written notice from the alternate, resigning his office, is received by the Company.

14. Proceedings of Directors

14.1 Frequency

Meetings of the Directors shall be held at regular intervals.

14.2 Notice

Unless agreed otherwise by a Majority:

14.2.1 meetings of the Directors may be convened by any Director or the Company secretary by not less than 5 Business Days' notice provided that a meeting of the Directors may be convened on less than 5 Business Days' notice if:

14.2.1.1 the interests of the Company would, in the reasonable opinion of a Shareholder, be likely to be materially and adversely affected if the business to be transacted at that meeting were not dealt with as a matter of urgency; or

14.2.1.2 a Majority agree in writing; and

14.2.2 notice of each meeting of the Directors shall be sent to each Director (and any alternate duly appointed in accordance with article 13) at the address, fax number or email address notified to the Company for this purpose by each such Director or alternate. Each notice of a meeting shall be accompanied by a full agenda and supporting papers and each meeting shall only deal with the business set out in that agenda.

article 9(1) of the Model Articles shall not apply to the Company

14.3 Quorum

14.3.1 subject to articles 14.3.2 and 14.3.3 three Eligible Directors, present either in person or by a duly appointed alternate, shall be a quorum for any meeting of the Directors. No business shall be transacted at any meeting of the Directors unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. Article 11(2) of the Model Articles shall not apply to the Company.

14.3.2 For the purpose of any meeting (or part of a meeting):

14.3.2.1 held to authorise a director's conflict of interest under article 16; or

14.3.2.2 at which a Director is not permitted to vote on any resolution in accordance with article 16 as a result of a Conflict (as defined in article 16.1)

the quorum for such meeting shall be any Eligible Directors.

14.4.3 Any Director who is also a Relevant Shareholder in respect of whom a Default Notice has been served pursuant to article 8 shall not be required in order to form a quorum at any meeting of the Directors.

14.4 Voting

14.4.1 Subject to article 14.4.2 and save as agreed otherwise in writing by a Majority:

14.4.1.1 all decisions made at any meeting of the Directors (or of any committee of the Directors) shall be made by resolution and any such resolution shall be decided by a majority of votes; and

14.4.1.2 at any Board meeting each Eligible Director present shall be entitled to cast one vote on each issue put to a vote.

14.4.2 Any Director appointed by a Relevant Shareholder upon whom a Default Notice has been served pursuant to article 8 shall not be entitled to exercise any vote at a meeting of the Directors.

14.4.3 If the number of votes for and against a proposal at a Directors' meeting are equal the chairman shall not have a casting vote. Article 13 of the Model Articles shall not apply to the Company.

14.5 Adjournment

If within 30 minutes of the time appointed for a meeting of the Directors there is no quorum present, the Director(s) present shall adjourn the meeting to a place and time not less than 3 Business Days later and shall procure that notice of such adjourned meeting is given to each Director in accordance with article 14.2. If at such adjourned meeting a quorum is not present within 30 minutes of the time appointed for the adjourned meeting, then the meeting shall be dissolved.

14.6 Delegation by Directors

14.6.1 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers (or revoke or alter the terms and conditions of any such delegation) to a person or committee with the prior written consent of a Majority.

14.6.2 Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may": "with the prior written consent of a Majority"

14.6.3 The provisions of article 14.3 shall apply to any meeting of a committee of the Directors.

14.7 Remuneration committee

Without prejudice to the provisions of article 5 of the Model Articles, there will be a remuneration committee which will operate in accordance with the provisions of the Shareholders' Agreement (clause 8).

14.8 Miscellaneous

Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may": "with the prior written consent of a Majority".

15. Transactions or other arrangements with the Company

15.1 Subject to sections 177 and 182 of the Act and (where applicable) to any terms and conditions imposed by the Directors under article 16.3, and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way (whether directly or indirectly) interested in an existing or proposed transaction or arrangement with the Company:

15.1.1 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;

15.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors in respect of such transaction or arrangement, or proposed

transaction or arrangement, in which he is interested;

15.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such transaction or arrangement, or proposed transaction or arrangement, in which he is interested;

15.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

15.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the company is otherwise (directly or indirectly) interested; and

15.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

15.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

16. Directors' conflicts of interest

16.1 subject to the consent of a Majority, the Directors may, in accordance with the requirements set out in this article 16, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid situations which conflict or possibly may conflict with the interests of the Company (a "**Conflict**").

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

16.2.1 the matter in question shall have been proposed by any Director for consideration at a meeting of Directors 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;

16.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question; and

16.2.3 the matter was agreed to without the Director in question or would have been agreed to if his vote had not been counted.

16.3 Any authorisation of a Conflict under this article 16 shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded) and may, whether at the time of giving the authorisation or subsequently:

16.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;

16.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

16.3.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

- 16.4 In authorising a conflict the Directors may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:

16.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or

16.4.2 use or apply any such information in performing his duties as a Director

where to do so would amount to a breach of that confidence.

- 16.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:

16.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

16.5.2 Is not given any documents or other information relating to the conflict; and

16.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meetings of Directors in relation to any resolution relating to the Conflict.

- 16.6 Where the directors authorise a Conflict:

16.6.1 the relevant director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and

16.6.2 the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of their authorisation.

- 16.7 A Director may, notwithstanding his office, be a director or other officer of, or employed by or otherwise interested in, a Shareholder who appointed him as a Director (or any company which is for the time being a subsidiary or holding company of that Shareholder or another subsidiary of such holding company) and no authorisation under article 16.1 shall be necessary in respect of such interest.

- 16.8 A Director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a conflict which has been authorised by the Directors or by the Company in general meeting (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.

17. **Directors' benefits**

- 17.1 Article 19(2) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to the consent of a Majority".

- 17.2 Article 19(3) of the Model Articles shall be amended by the insertion of the following words at the start of that article: "Subject to the consent of a Majority and"

18. **Secretary**

The Directors may, subject to the consent of a Majority, appoint any person who is willing to act as the secretary of the company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.

19. **Service of documents**

19.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:

19.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;

19.1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;

19.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;

19.1.4 If properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and

19.1.5 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.

For the purposes of this article 19.1, no account shall be taken of any part of a day that is not a working day.

19.2 In providing that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

20. **Indemnity**

20.1 Subject to article 20.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

20.1.1 Each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities reasonably and properly incurred by him as a relevant officer:

20.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

20.1.1.2 In relation to the activities of the Company (or any associated company) as a trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

20.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred

or to be incurred by him in connection with any proceedings or application referred to in article 20.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

20.2 This article 20 does not authorise any indemnity which would be prohibited or rendered void by any provision of the act or by any other provision of law.

20.3 In this article 20 and in article 21:

20.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

20.3.2 a “**relevant officer**” means any director or other officer or former director or other officer of the Company or any 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 any associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

20.4 Article 52 of the Model Articles shall not apply to the Company.

21. Insurance

21.1 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 loss or liability which has been or may be incurred by that relevant officer in connection with his 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.

21.2 Article 53 of the Model Articles shall not apply to the Company.

22. Disputes

22.1 Where these Articles provide for any matter or dispute to be determined by the Expert, such matter or dispute shall be referred, at the request of any shareholder, to an independent chartered accountant nominated in writing for this purpose by such Shareholder.

22.2 The Expert shall be engaged on terms agreed between the relevant Expert and the Directors with the consent of a Majority, provided that if such terms are not so agreed within 10 Business Days of the Expert being instructed, the Expert shall be engaged on such terms as may be agreed between the Expert and a Majority (acting reasonably). For the purposes of agreeing the terms of the Expert’s engagement pursuant to this article 22.2, the Directors or a Majority (as the case may be) shall act as agent for the Company and each relevant shareholder.

22.3 The Company and any relevant Shareholder shall supply the Expert with any information which he may reasonably request in connection with his determination. The Company and any relevant Shareholder shall be entitled to make written submissions to the Expert provided that a copy of any such written submissions is also simultaneously delivered to the other relevant parties. The Expert shall give due weight to any such written submission which is received by the Expert within such time limit as he may determine and have notified to the relevant parties..

22.4 The decision of the Expert (who shall be deemed to act as an expert and not as an arbitrator) shall, save in the event of fraud or manifest error, be final and binding on the Company and the Shareholder.

22.5 The cost of any reference to the Expert shall be borne as directed in the relevant article or,

where no such direction is given, by the party or parties named by the Expert (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or, where no such party is named by the Expert, equally by the parties concerned.