

Company No. 11500761
PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
CIRQUE FURNITURE LIMITED (Company)

Passed on:

By written resolutions agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 (the **2006 Act**) by or on behalf of the sole member of the Company who, at the date of circulating the resolutions, was entitled to vote on the resolutions the following resolutions of the Company were duly passed:

SPECIAL RESOLUTIONS


1. ADOPT NEW ARTICLES OF ASSOCIATION

That the regulations contained in the document produced to the meeting and, for the purposes of identification only, initialled by the sole director of the Company (**Articles**) be approved and adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company.

2. CONSENT TO ISSUE SHARES PURSUANT ARTICLE 13 OF THE ARTICLES

That, subject to the passing of special resolution 1 above and in accordance with article 13 of the Articles, the directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) of any class as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £99 (in addition to any shares already issued).

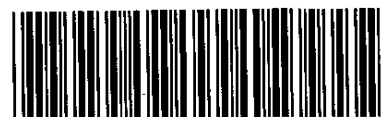
Keith Raymond Ambrose, director


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Date


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WEDNESDAY



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

(Adopted by special resolution passed on *9th August 2019*)

1. INTERPRETATION

1.1 The following definitions and rules of interpretation apply in these Articles:

A Director:	a Director appointed by the A Shareholders pursuant to this agreement and the Articles.
A Shareholder:	a Holder of A Shares from time to time.
A Shares:	the A ordinary shares of £1 each in the Company from time to time.
Acceptance Period:	has the meaning given in Article 17.5.1(b).
Act:	the Companies Act 2006.
Acting in Concert:	has the meaning given by the City Code on Takeovers and Mergers as in force and construed on the Adoption Date.
Adoption Date:	the date of adoption of these articles.
Allocated Person:	has the meaning given in Article 17.8.1.
Appointor:	has the meaning given in Article 8.1.
Articles:	the company's articles of association for the time being in force.
Bad Leaver:	a Leaver who becomes a Leaver either: (a) pursuant to limb (a) of the definition of Leaver or where a Leaver event agreed pursuant to limb (f) of the definition of Leaver is agreed to make the relevant Leaver a Bad Leaver; or

- (b) as a result of ceasing to be an Employee except where that cessation occurs as a result of:
 - (i) death;
 - (ii) bankruptcy;
 - (iii) wrongful dismissal;
 - (iv) permanent disability or permanent incapacity through ill health; or
 - (v) retirement at normal retirement age.

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

Chairman: the chairman of the Company from time to time.

Close Date: has the meaning given in Article 20.2.2.

Committed Shareholder: has the meaning given in Article 20.1.

Company: Cirque Furniture Limited.

Completion: completion of the sale of the relevant Sale Shares in accordance with these articles.

Conflict: has the meaning given in article 4.1.

Connected Person: a person connected with another within the meaning of section 1122 of the Corporation Taxes Act 2010.

Controlling Interest: an interest (within the meaning of Schedule 1 to the Act) in more than 50% of the Shares.

Controlling Shares: has the meaning given in Article 20.1.

Director: a director of the Company, including any person occupying the position of director, by whatever name called.

Distribution Recipient: in relation to a Share in respect of which a dividend or other sum is payable:

- (a) the Holder of that Share;
- (b) if that Share has two or more joint Holders, whichever of them is named first in the register of members; or

- (c) if the Holder is no longer entitled to that Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmittee.

Drag Notice:	has the meaning given in Article 19.2.
Drag Option:	has the meaning given in Article 19.1.
Drag Price:	has the meaning given in Article 19.2.3.
Dragged Shareholders:	has the meaning given in Article 19.1.
Dragged Shares:	has the meaning given in Article 19.1.
Electronic Form:	has the meaning given in section 1168 of the Act.
Eligible Director:	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)
Eligible Shareholders:	each Shareholder who is a Shareholder at the Transfer Notice Date (excluding the relevant Seller, any Excluded Person and any other Shareholder who at any time before that date has given (or is deemed to have given) a current Transfer Notice in respect of any Share or who is bound under these articles to give a Transfer Notice in respect of any Share).
Employee:	a director and/or employee of any Group Company (or, in relation to the A Shareholders and where applicable, of any company under common control with the Company and who is providing services to the Company under a secondment or similar arrangement).
Equity Securities:	has the meaning given in section 560(1) of the Act.
Excluded Person:	a person who is: <ul style="list-style-type: none">(a) a Leaver; or(b) an Employee who has given or been given notice to terminate his contract of employment and following that termination will cease to be an Employee.
Expert:	a firm of chartered accountants (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination for a period of seven days, appointed on

the application of any of the parties concerned by the President for the time being of the Institute of Chartered Accountants in England and Wales.

Fair Price: the price per Sale Share agreed between the relevant Seller and the Company within 10 days after the Transfer Notice Date or, failing such agreement, the price determined by the Expert pursuant to Article 17.4.

Family Members: in relation to any Shareholder, that Shareholder's spouse and children (including step and adopted children) provided in each case they are over the age of 18.

Family Trust: in relation to a Shareholder, a trust:

- (a) of which that Shareholder is the settlor;
- (b) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of:
 - (i) that Shareholder and/or a Family Member of that Shareholder; or
 - (ii) 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 it when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities); and
- (c) under which no power of control is capable of being exercised over the votes of any Shares which are the subject of the trust by any person other than the trustees, that Shareholder or any Family Member of that Shareholder;

and **trust** includes a trust arising under a settlement, or declaration of trust, inter vivos but excludes testamentary disposition or a trust arising on an intestacy.

Fully Paid: in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been Paid to the Company.

Good Leaver: (a) a Leaver who is neither a Bad Leaver nor a Voluntary Leaver;

- (b) a Leaver who becomes a Leaver pursuant to limb (b) of the definition of Leaver; or
- (c) a Leaver who becomes a Leaver as a result of ceasing to be an Employee but the Directors (with Shareholder Consent) resolve that he is to be treated as a Good Leaver in circumstances where that Leaver would, but for this provision, be a Bad Leaver or Voluntary Leaver.

Group Company:	any member of the Group.
Group:	the Company and each Subsidiary.
Holder:	in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time.
Interested Shareholders:	has the meaning given in Article 20.1.
Issue Price:	in relation to any Share, the price at which that Share is issued (being the aggregate of the amount Paid in respect of the nominal value of that Share and any share premium on that Share).
Leaver:	<ul style="list-style-type: none"> (a) the Shareholder committing a material or persistent breach of any shareholder agreement between the Shareholders and/or the Company which, if capable of remedy, has not been so remedied within 20 Business Days of notice to remedy the breach being served by either the Shareholder Majority or the Board (acting with Shareholder Consent); (b) any Shareholder (other than a trustee of a Family Trust of any Shareholder) who: <ul style="list-style-type: none"> (i) dies; (ii) has a bankruptcy order made against him; or (iii) otherwise ceases to be an Employee (provided that for this purpose any Shareholder continuing as a director of the Company by reason solely of their right to be appointed pursuant to any shareholder agreement, but with no paid employment, they will for this purpose be deemed to have ceased to be an Employee);

- (c) any Shareholder who:
 - (i) is a trustee of a Family Trust of any Shareholder who becomes a Leaver;
 - (ii) is a Family Member of a Shareholder who becomes a Leaver (provided that Family Member shall only be deemed to be a Leaver in respect of any Shares he holds which were either transferred to him by that Shareholder or any Family Trust of that Shareholder pursuant to Article 34.1 or Article 34.2 or were obtained as a result of Shares that were so transferred); or
 - (iii) transfers or purports to transfer any Shares other than in accordance with the provisions of these articles;
- (d) any person who is a Transmittee of any Shareholder; or
- (e) any person who becomes entitled to any Shares on the exercise of an option after ceasing to be an Employee; or
- (f) such other circumstances which the Shareholders agree in writing makes a Shareholder a Leaver.

Leaver's Shares:

all of the Shares held by a Leaver, or to which that Leaver is entitled, on the Leaving Date and any Shares acquired by that Leaver after the Leaving Date.

Leaving Date:

in relation to any Leaver, the date on which he becomes a Leaver (which, in the case of any Leaver who becomes a Leaver by virtue of any person ceasing to be an Employee, shall be the Termination Date in relation to that former Employee).

Model Articles:

the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (*SI 2008/3229*) as amended prior to the date of adoption of these Articles.

Non-Cash Consideration:

has the meaning given in Article 19.2.2.

Offer Notice:

has the meaning given in Article 13.2

Offer Period:	has the meaning given in Article 13.2.4.
Offer:	has the meaning given in Article 13.2.
Offered Securities:	has the meaning given in Article 13.2.1.
Ordinary Director:	a Director appointed by the Ordinary Shareholders pursuant to this agreement and the Articles.
Ordinary Shareholder:	a Holder of Ordinary Shares from time to time.
Ordinary Shares:	the ordinary shares of £1 each in the Company from time to time.
Ordinary Resolution:	has the meaning given in section 282 of the Act.
Paid:	paid or credited as paid.
Proposed Controller:	has the meaning given in Article 20.1.
Relevant Director:	any director or former director of any Group Company.
Relevant Loss:	any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any Group Company or any pension fund or employees' share scheme of any Group Company.
Relevant Proportions:	in relation to the relevant Shareholders, in proportion (as nearly as possible without involving fractions) to the nominal value of the Shares held by them respectively at the date of the Offer Notice.
Relevant Shares:	has the meaning given in Article 19.1.
Sale Notice:	has the meaning given in Article 17.8.2.
Sale Price:	the price per Share at which the relevant Sale Shares are offered to the relevant Eligible Shareholders.
Sale Shares:	has the meaning given in Article 17.2.1.
Seller:	has the meaning given in Article 17.1.
Shareholder Consent:	the prior consent in Writing of the Shareholder Majority.

Shareholder Majority:	Shareholders who together, at the relevant time, hold a majority of each of the Ordinary Shares and the A Shares in issue at that time.
Shareholder:	a person who is the Holder of a Share.
Shares:	<i>the A Shares and Ordinary Shares (or any of them as the context requires).</i>
Special Resolution:	has the meaning given in section 283 of the Act.
Subsidiary:	any company which is a subsidiary of the Company from time to time.
Tag Notice:	has the meaning given in Article 20.2.
Tag Offer:	has the meaning given in Article 20.1.
Tag Price:	has the meaning given in Article 20.2.1.
Termination Date:	<ul style="list-style-type: none"> (a) where employment ceases by virtue of notice given by the employer to the Employee concerned, the date on which that notice expires; (b) where a contract of employment is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which that notice was given or, if later, the date the Employee concerned ceases to be an Employee; (c) where the Employee concerned is a director and an employee of any Group Company, the date on which that Employee's contract of employment with that Group Company is terminated; (d) where the Employee concerned is a director (but not an employee) of any Group Company, the date on which the contract for the provision of that Employee's services (whether entered into directly with him or with a third party) with that Group Company is terminated; or (e) in any other case, the date on which the contract of employment is terminated.
Third Party Purchaser:	any person who is not a Shareholder or a Connected Person of a Shareholder.

Total Sale Condition:	has the meaning given in Article 17.2.4.
Transfer Form:	an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor
Transfer Notice Date:	the date of the relevant Transfer Notice.
Transfer Notice:	has the meaning given in Article 17.1.
Transfer Offer Notice:	has the meaning given in Article 17.5.
Transfer Proportions:	in relation to the relevant Eligible Shareholders, in proportion (as nearly as possible without involving fractions) to the nominal value of the Shares held by them respectively at the Transfer Notice Date.
Transmittee:	a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.
Uncommitted Shareholders:	has the meaning given in Article 20.1.
Uncommitted Shares:	has the meaning given in Article 20.1.
Unsold Shares Notice:	has the meaning given in Article 17.13.
Unsold Shares:	has the meaning given in Article 17.13.2.
Voluntary Leaver:	a person who becomes a Leaver by the giving of notice to terminate employment to the Company.
Writing:	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.

1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 A reference to a **transfer of Shares** or any similar expression shall include a sale or transfer of any interest in any Shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares.
- 1.10 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.11 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.12 Article 7 of the Model Articles shall be amended by:
- 1.12.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
- 1.12.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.13 Article 20 of the Model Articles shall be amended by the insertion of the words " (including alternate directors) and the secretary" before the words "properly incur".
- 1.14 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".
- 1.15 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.16 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.17 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. APPOINTMENT, REMOVAL AND PROCEEDINGS OF DIRECTORS

- 2.1 Each A Shareholder shall for so long as he is permitted to act in such capacity by law and under the Articles and, together with his Permitted Transferees, holds not less

than 5% of the Shares and remains employed by the Company shall have the right to be appointed and be maintain in office as an A Director.

- 2.2 In the event that no A Shareholder is in office as an A Director pursuant to article 2.1, procure that at all times during the continuance of this agreement the A Shareholders shall appoint and maintain in office at least one and no more than two A Directors and may remove and replace those A Directors in each case by notice in writing to the Company. Any individual to be appointed as an A Director pursuant to this Article 2.2 shall be approved in writing by a majority of the Ordinary Shareholders, such consent not to be unreasonably withheld or delayed.
- 2.3 Each Ordinary Shareholder shall for so long as he is permitted to act in such capacity by law and under the Articles and, together with his Permitted Transferees, holds not less than 5% of the Shares and remains an employee or director of any company under common control with the Company (or such other requirement as is agreed in writing by the Shareholders from time to time) have the right to be appointed and be maintain in office as an Ordinary Director.
- 2.4 In the event that no Ordinary Shareholder is in office as an Ordinary Director pursuant to article 2.3, procure that at all times during the continuance of this agreement the Ordinary Shareholders shall appoint and maintain in office at least one and no more than two Ordinary Directors and may remove and replace those Ordinary Directors in each case by notice in writing to the Company. Any individual to be appointed as an Ordinary Director under this Article 2.4 shall be approved in writing by a majority of the A Shareholders, such consent not to be unreasonably withheld or delayed.
- 2.5 The party removing a Director shall indemnify and keep indemnified the Company against any claim connected with the Director's removal from office.
- 2.6 No A Director or Ordinary Director shall be appointed or removed otherwise than pursuant to this agreement, save as provided by law.
- 2.7 No fees shall be paid to the Directors on account of their office without Shareholder Consent.
- 2.8 The post of chairperson shall be held by an Ordinary Director. The chairperson shall not have a casting vote. If the chairperson for the time being is unable to attend any meeting of the Board the Ordinary Shareholder shall be entitled to appoint another Director to act as chair at the meeting.
- 2.9 The parties intend there to be a meeting of directors at least once per quarter. All meetings of directors shall take place in accordance with the provisions of Model Article 10 (as defined in the Articles).
- 2.10 A director may and, at the request of a director, the Company shall call a meeting of directors. The parties shall ensure that at least three Business Days' notice of a meeting of directors is given to all directors entitled to receive notice accompanied by an agenda specifying in reasonable detail the matters to be raised at the meeting.
- 2.11 A shorter period of notice of a meeting of directors may be given by agreement of a majority of the Ordinary Directors and a majority of the A Directors.
- 2.12 The quorum at any meeting of directors (including adjourned meetings) is two A Directors and one Ordinary Director, provided that:
- 2.12.1 If there is only one Director of a class in office, the quorum shall be reduced to one Director in respect of that class only; and

- 2.12.2 If at any time there is only one Director in office, the rules as to decision making in clauses 2.8 to 2.16 shall not apply, and the sole Director may take decisions in such manner as he determines, but subject to the remaining provisions of this agreement.
- 2.13 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and at the time when there is to be voting on any business.
- 2.14 If a quorum is not present within 30 minutes of the time specified for a directors' meeting in the notice of the meeting then it shall be adjourned for five Business Days at the same time and place and the quorum at the adjourned meeting shall be reduced to one Director of each class.
- 2.15 Meetings of Directors shall make decisions by passing resolutions. A resolution is passed if:
- 2.15.1 more votes are cast for it than against it; and
- 2.15.2 at least one Eligible A Director and one Eligible Ordinary Director have voted in favour of it,
- and for the purpose of clause 2.15, the parties are not represented at any meeting of the Board by an equal number of Eligible A Directors and Eligible Ordinary Directors (whether participating in person or by alternate), then the class which is represented by fewer Eligible Directors shall be entitled at that meeting to such additional vote or votes as shall result in the Eligible Directors so participating representing each class having in aggregate an equal number of votes (and so that such votes shall be divided equally between the Eligible Directors of the relevant class in attendance, even if such division shall give rise to a fractional vote).
- 2.16 Resolutions of the directors may also be passed by a written resolution of the directors signed by each of the A Directors and the Ordinary Directors or to which each of the A Directors and Ordinary Directors have otherwise indicated their agreement in writing.
- 2.17 Any Director appointed pursuant to Clause 2.2 or Clause 2.4 shall be entitled to:
- 2.17.1 report on the affairs of any Group Company; and
- 2.17.2 disclose such information as he shall reasonably consider appropriate;
- to the Shareholder(s) who appointed him.

3. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 3.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 3.1.1 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;

- 3.1.2 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 he is interested;
- 3.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 3.1.4 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;
- 3.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 3.1.6 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 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 his duty under section 176 of the Act.

4. DIRECTORS' CONFLICTS OF INTEREST

- 4.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 4.2 Any authorisation under this article 4 will be effective only if:
 - 4.2.1 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;
 - 4.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
 - 4.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 4.3 Any authorisation of a Conflict under this article 4 may (whether at the time of giving the authorisation or subsequently):
 - 4.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 4.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;

- 4.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 4.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 4.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
 - 4.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 4.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 4.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 4.6 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 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.

5. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

6. NUMBER OF DIRECTORS

Subject to Article 2, unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum or minimum.

7. APPOINTMENT OF DIRECTORS

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) have the right, by notice in Writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

8. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

8.1 Any director (**Appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

8.1.1 exercise that director's powers; and

8.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the alternate's Appointor.

8.2 Any appointment or removal of an alternate must be effected by notice in Writing to the company signed by the Appointor, or in any other manner approved by the directors.

8.3 The notice must:

8.3.1 identify the proposed alternate; and

8.3.2 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.

9. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

9.1 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.

9.2 Except as the Articles specify otherwise, alternate directors:

9.2.1 are deemed for all purposes to be directors;

9.2.2 are liable for their own acts and omissions;

9.2.3 are subject to the same restrictions as their Appointors; and

9.2.4 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.

9.3 A person who is an alternate director but not a director:

9.3.1 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);

9.3.2 may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and

9.3.3 shall not be counted as more than one director for the purposes of article 9.3

9.4 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.

- 9.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his Appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's Appointor's remuneration as the Appointor may direct by notice in Writing made to the company.

10. TERMINATION OF ALTERNATE DIRECTORSHIP

- 10.1 An alternate director's appointment as an alternate terminates:

- 10.1.1 when the alternate's Appointor revokes the appointment by notice to the company in Writing specifying when it is to terminate;
- 10.1.2 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;
- 10.1.3 on the death of the alternate's Appointor; or
- 10.1.4 when the alternate's Appointor's appointment as a director terminates.

11. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon 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.

Shares

12. CLASSES OF SHARE

- 12.1 The capital of the Company is divided into A ordinary shares of £1.00 each (**A Shares**) and ordinary shares of £1.00 each (**Ordinary Shares**).
- 12.2 The A Shares and Ordinary Shares shall be separate classes of Shares but shall carry the same rights and privileges and shall rank *pari passu* in all respects, save that they shall rank as separate classes of share for the purpose of distribution of profits (provided that no dividend shall be which is not equal on all classes of Share, without the consent of a majority of the Shareholders of that class) and as otherwise provided for in these Articles.

13. PRE-EMPTION RIGHTS ON ALLOTMENT

- 13.1 Except with Shareholder Consent, all Equity Securities which the Directors propose to allot after the Adoption Date shall first be offered to the Shareholders in accordance with the provisions of this Article 13.
- 13.2 Any offer of Equity Securities pursuant to Article 13.1 (an **Offer**) shall be made by notice in Writing (an **Offer Notice**) to the Shareholders at that time. The Offer Notice shall specify:
- 13.2.1 the aggregate number of Equity Securities offered (the **Offered Securities**);

- 13.2.2 the price per Offered Security;
- 13.2.3 that each Shareholder is entitled to apply for all or any of the Offered Securities; and
- 13.2.4 the period (the **Offer Period**) (which shall be at least 14 days from the date of the Offer Notice) within which each Shareholder must deliver his application for Offered Securities to the Company.

13.3 After the expiration of the Offer Period:

- 13.3.1 if the total number of Offered Securities applied for is equal to or less than the total number of Offered Securities, each Shareholder shall be allotted the number of Offered Securities he applied for; or
- 13.3.2 if the total number of Offered Securities applied for exceeds the total number of Offered Securities:
 - (a) the Company shall allot the Offered Securities, in the Relevant Proportions, to the Shareholders who have applied for them (but without allotting to any Shareholder more Offered Securities than he applied for); and
 - (b) any remaining Offered Securities shall be allotted, in the Relevant Proportions, to those Shareholders whose applications for Offered Securities have not yet been satisfied in full (but without allotting to any Shareholder more Offered Securities than he applied for) and any remaining Offered Securities shall be apportioned by re-applying the provisions of this Article 13.3.2(b); and
- 13.3.3 any Offered Securities not allotted or not capable of being allotted as specified above except by way of fractions, shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit, provided that those Offered Securities shall not be disposed of on terms which are more favourable than the terms on which they were offered to the Shareholders.

- 13.4 The requirements of sections 561 and 562 of the Act shall not apply to any allotment of Equity Securities by the Company.

14. PURCHASE OF OWN SHARES

- 14.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

- 14.1.1 £15,000; and

- 14.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

15. SHARE TRANSFERS: GENERAL

- 15.1 The Directors shall only refuse to register a transfer of Shares if they are specifically required or authorised to do so by these articles. If the Directors do refuse to register

a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant Transfer Form was lodged with the Company, return that Transfer Form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 15.2 The Directors shall refuse to register any transfer of Shares made in contravention of the provisions of these articles.
- 15.3 Any transfer of Shares made or purported to be made in contravention of the provisions of these articles shall be of no effect.
- 15.4 Except for a transfer pursuant to Articles 16 to 20 (inclusive), no Shares may be transferred without Shareholder Consent.
- 15.5 Shares shall be transferred by means of a Transfer Form.
- 15.6 No fee may be charged for registering any Transfer Form or other document relating to or affecting the title to any Shares.
- 15.7 The Company may retain any Transfer Form which is registered.
- 15.8 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

15.9 Class of Shares

Upon a transfer of Shares:

- 15.9.1 to any person who is not prior to the transfer a Shareholder, the transferred Shares shall remain in the same class as prior to the Transfer; or
- 15.9.2 to a person who is already a Shareholder, shall (where necessary) be redesignated as Shares in the class held by the transferee.

16. PERMITTED TRANSFERS

16.1 Permitted transfers to Family Members and Family Trusts

Any Shareholder who is not an Excluded Person may at any time transfer any Shares held by him to any Family Member or to trustees to be held on a Family Trust provided that:

- 16.1.1 no Shareholder may transfer any Shares pursuant to this Article 16.1 if, after the registration of that transfer in the register of members of the Company, that Shareholder would be left with no Shares;
- 16.1.2 any Family Member and/or the trustees of any Family Trust to whom any Shares are transferred by a Shareholder pursuant to this Article 16.1 shall themselves be entitled to transfer those Shares pursuant to Article 16.2 but not pursuant to this Article 16.1;
- 16.1.3 if any Shares held by the trustees of a Family Trust of a Shareholder cease to be so held on a Family Trust (otherwise than in consequence of a transfer in accordance with Article 16.2) or there ceases to be any beneficiaries of that Family Trust other than a charity or charities, the trustees of that Family Trust shall immediately:

- (a) notify the Company in Writing of that cessation; and

- (b) unless the Directors direct otherwise, transfer those Shares back to that Shareholder;
- 16.1.4 if a Family Member to whom any Shares have been transferred pursuant to this Article 16.1 or Article 16.2 ceases to be a Family Member of the relevant Shareholder:
 - (a) that former Family Member shall immediately notify the Company in Writing of that cessation; and
 - (b) unless the Directors direct otherwise, that former Family Member shall immediately transfer to that Shareholder any Shares held by that former Family Member which were transferred to him by that Shareholder or any of that Shareholder's Family Trusts pursuant to Article 16.1 or Article 16.2 and any other Shares that former Family Member holds which were obtained as a result of holding those transferred Shares;
- 16.1.5 if the trustees of a Family Trust or a former Family Member of a Shareholder fail to comply with Articles 16.1.3 or 16.1.4(b) respectively, the Company:
 - (a) is unconditionally and irrevocably authorised to appoint any person as agent of those trustees or that former Family Member (as the case may be) to execute and deliver the required Transfer Form in their name and on their behalf (and to do such other things as are necessary to transfer the relevant Shares pursuant to this Article 34); and
 - (b) may (subject to that Transfer Form being stamped or duly certified) register the transfer;
 - (c) and the validity of those proceedings shall not be questioned by any person.
- 16.2 Permitted transfers by Family Members and Family Trusts
 - 16.2.1 A Family Member of a Shareholder may transfer to that Shareholder any Shares that Family Member holds which were transferred to him by that Shareholder or any of that Shareholder's Family Trusts pursuant to Article 16.1 or this Article 16.2 and any other Shares held by that Family Member which were obtained as a result of holding those transferred Shares.
 - 16.2.2 Where any Shares are held by trustees on a Family Trust of a Shareholder:
 - (a) on any change of trustees those Shares may be transferred to the new trustees of that Family Trust; and
 - (b) those Shares may be transferred at any time:
 - (i) to that Shareholder;
 - (ii) to another Family Trust of that Shareholder; or
 - (iii) to any Family Member of that Shareholder.
- 16.3 Transfers to the Company

Any Shareholder may at any time transfer any Shares to the Company in accordance with the Act and these articles.

16.4 Transfers with Shareholder Consent

Notwithstanding any other provisions of these articles, any transfer of Shares made with Shareholder Consent may be made without restriction.

16.5 Transfers pursuant to Article 18 or 19.

Notwithstanding any other provision of these articles, any transfer of Shares made in accordance with Article 18 or 19 shall be registered by the Directors (subject only to stamping).

17. VOLUNTARY TRANSFERS

17.1 Any Shareholder who wishes to transfer any Shares other than pursuant to Article 16 (the Seller) shall give the Company notice in Writing (the Transfer Notice). Once given the Transfer Notice shall be irrevocable.

17.2 The Transfer Notice shall specify:

17.2.1 the number of Shares the Seller wishes to transfer (the Sale Shares);

17.2.2 whether the Seller has received an offer from a third party for the Sale Shares and if so the identity of that third party and the price offered by that third party for the Sale Shares;

17.2.3 the price per share at which the Seller wishes to sell the Sale Shares; and

17.2.4 whether the Seller wishes to impose a condition that unless all the Sale Shares are sold none shall be sold (a Total Sale Condition).

17.3 By giving the Transfer Notice, the Seller appoints the Company (acting by the Directors) as his agent with the power to sell the Sale Shares (with all rights attaching to them) in accordance with the provisions of these articles.

17.4 The Sale Price shall be the Fair Price. If the Fair Price is to be determined by an Expert:

17.4.1 the Company shall immediately instruct the Expert to determine the Fair Price on the basis which, in the Expert's opinion, represents a fair price for the Sale Shares at the Transfer Notice Date as between a willing seller and a willing buyer and, in making that determination, the Expert shall ignore the fact that the Sale Shares represent (if that is the case) a minority or majority interest in the share capital of the Company and can be subject to the compulsory transfer requirements of Articles 18 and 19;

17.4.2 the Expert shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;

17.4.3 the certificate of the Expert shall, in the absence of manifest error, be final and binding; and

17.4.4 the Company shall procure that any certificate required pursuant to this Article 17.4 is obtained as soon as possible and the cost of obtaining that

certificate shall be borne equally by the Company and the Seller unless the Expert directs otherwise.

17.5 Within seven days of the Sale Price being agreed or determined in accordance with these articles, the Company shall give notice in Writing (the **Transfer Offer Notice**) to the Eligible Shareholders offering for sale the Sale Shares at the Sale Price. The Transfer Offer Notice shall specify:

17.5.1 that each Eligible Shareholder:

- (a) is entitled to apply for some or all of the Sale Shares; and
- (b) shall, if he wishes to apply, have a period of 25 days from the date of the Transfer Offer Notice (the **Acceptance Period**) within which to deliver his application for Sale Shares to the Company; and

17.5.2 whether the Transfer Notice contained a Total Sale Condition.

17.6 Subject to Article 17.7, on the expiry of the Acceptance Period:

17.6.1 if the total number of Sale Shares applied for is equal to or less than the total number of Sale Shares, the Company:

- (a) shall allocate to each Eligible Shareholder the number of Sale Shares he applied for; and
- (b) may allocate any remaining Sale Shares to itself (and it shall, subject to the Act, be entitled to acquire them); or

17.6.2 if the total number of Sale Shares applied for is greater than the total number of Sale Shares, the Company shall allocate:

- (a) the Sale Shares, in the Transfer Proportions, amongst the Eligible Shareholders who have applied for them (but without allocating to any Eligible Shareholder more Sale Shares than he applied for); and
- (b) any remaining Sale Shares, in the Transfer Proportions, to those Eligible Shareholders whose applications for Sale Shares have not yet been satisfied in full (but without allocating to any Eligible Shareholder more Sale Shares than he applied for) and any remaining Sale Shares shall be allocated by re-applying the provisions of this Article (b).

17.7 If the Transfer Notice contained a Total Sale Condition the Company shall not allocate any of the Sale Shares pursuant to Article 17.6 unless all of the Sale Shares can be so allocated.

17.8 If any of the Sale Shares are allocated by the Company pursuant to Article 17.6:

17.8.1 the persons to whom they are allocated (each an **Allocated Person**) shall be bound to acquire the Sale Shares allocated to them on the terms on which they were offered for sale, and

17.8.2 the Company shall immediately on allocating any Sale Shares give notice in Writing (the **Sale Notice**) to the Seller and to each Allocated Person specifying:

- (a) the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for those Sale Shares; and
- (b) the time, date and place of Completion (which shall be not less than seven and not more than 28 days after the date of the Sale Notice).

17.9 On Completion:

17.9.1 each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Sale Shares:

- (a) to the Seller; or
- (b) if the Seller is not present at Completion, to the Company to be held on trust (without interest) for the Seller (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));

17.9.2 if the Company is an Allocated Person, it shall:

- (a) pay the purchase price for the relevant Sale Shares to the Seller; or
- (b) if the Seller is not present at Completion, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Seller; and

17.9.3 the Seller shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates.

17.10 If the Seller defaults in transferring any Sale Shares to an Allocated Person pursuant to Article 17.9, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Seller to execute a Transfer Form for those Sale Shares in the name, and on behalf, of the Seller (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article 35) and when that Transfer Form has been duly stamped:

17.10.1 where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the Holder of those Sale Shares; or

17.10.2 where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with the Act;

and after that, the validity of the proceedings shall not be questioned by any person.

17.11 Any money held on trust by the Company for the Seller in respect of any Sale Shares shall only be released to the Seller on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons.

17.12 If the Company cannot allocate all of the Sale Shares pursuant to Article, the Company shall immediately notify the Seller in Writing (the **Unsold Shares Notice**). The Seller may within three months of the date of the Unsold Shares Notice:

17.13 If the Company cannot allocate all of the Sale Shares pursuant to Article 17.6, then the Company shall immediately notify the Seller in Writing (the **Unsold Shares Notice**). The Seller may within three months of the date of the Unsold Shares Notice:

17.13.1 if the Transfer Notice contained a Total Sale Condition, sell all (but not some only) of the Sale Shares; or

17.13.2 if the Transfer Notice did not contain a Total Sale Condition, sell all or any of the Sale Shares that have not been allocated pursuant to Article 17.6 (the **Unsold Shares**),

to the person notified in the Transfer Notice and at any price per Share which is not less than the Sale Price and (if applicable) the provisions of Article 20 shall apply, save that if the identity of the transferee does not have Shareholder Consent, the Company shall refuse to register the transfer and the Seller shall remain as the Holder of such Shares as if the Transfer Notice had not been served.

18. MANDATORY TRANSFERS IN RESPECT OF LEAVERS

18.1 Any person who becomes a Leaver shall immediately give the Company notice in Writing detailing the relevant circumstances.

18.2 Any Leaver shall (unless the Directors resolve otherwise) be deemed to have served a Transfer Notice on the Leaving Date in respect of the Leaver's Shares and the provisions of Article 17 shall apply except that:

18.2.1 the Seller shall be the Leaver;

18.2.2 the Sale Shares shall be the Leaver's Shares;

18.2.3 the Transfer Notice Date shall be the Leaving Date;

18.2.4 the Sale Price for the Leaver's Shares shall be:

(a) in the case of a Good Leaver, the Fair Price;

(b) in the case of a Voluntary Leaver:

(i) where the Transfer Notice Date is within the period of 24 months from and including the Issue Date, £1.00;

(ii) where the Transfer Notice Date is more than 24 months but within the period of 36 months from and including the Issue Date, 25% of the Fair Price;

(iii) where the Transfer Notice Date is more than 36 months but within the period of 48 months from and including the Issue Date, 50% of the Fair Price;

(iv) where the Transfer Notice Date is more than 48 months but within the period of 60 months from and including the Issue Date, 75% of the Fair Price;

(v) where the Transfer Notice Date is more than 60 months from and including the Issue Date, the Fair Price; and

(c) in the case of a Bad Leaver, the lower of the Issue Price and the Fair Price;

and shall be paid by the Allocated Person on (or at the Allocated Person's discretion before):

(d) in the case of a Good Leaver or a Voluntary Leaver on completion, provided that where and to the extent that the funding of any payment would (directly or indirectly) cause the Company or any Group Company to be unable to pay its debts as and when they fall due or should reasonably be retained on account of any liability or would otherwise breach any legal commitment or obligation binding on the Company or Group Company, the date for payment may be deferred by the Company (and if any payment is due under this article 18.2.4 to more than one Leaver, the deferral shall be applied to all Leavers pro rata to the original agreed Sale Price on those Leavers' Shares); or

(e) in the case of a Bad Leaver on completion,

and in the event that a Good Leaver or Voluntary Leaver is subsequently discovered to be or have become a Bad Leaver, the Sale Price shall be reduced accordingly and any over payment reimbursed on demand

18.2.5 in relation to the Fair Price, the Leaver and the Company shall have 10 days after the Leaving Date or (if later) the date on which all the Directors become aware of the fact that the Leaver is a Leaver, in which to agree the Fair Price before the matter is referred to an Expert;

18.2.6 if a Leaver is a Bad Leaver, any other person who becomes a Leaver as a consequence shall also be deemed to be a Bad Leaver;

18.2.7 that Transfer Notice shall be deemed not to contain a Total Sale Condition; and

18.2.8 in relation to any Unsold Shares, a Transmittor who produces such evidence of entitlement to those Shares as the Directors may properly require, may choose either to become the Holder of those Shares or to have them transferred to any Family Member of the relevant Shareholder and the provisions of Articles 22 and 23 shall apply.

19. DRAG ALONG

19.1 If the holders of 90% or more of the Shares want to transfer all their Shares (the **Relevant Shares**) on arms length terms and in good faith to a Third Party Purchaser they shall have the option (the **Drag Option**) to require the other Shareholders (the **Dragged Shareholders**) to transfer all their Shares (the **Dragged Shares**) to the Third Party Purchaser with full title guarantee in accordance with this Article 19.

19.2 To exercise the Drag Option the Shareholder Majority shall give an irrevocable notice in Writing (the **Drag Notice**) to the Dragged Shareholders. The Drag Notice shall specify:

19.2.1 that the Dragged Shareholders are required to transfer their Dragged Shares to the Third Party Purchaser;

19.2.2 the price receivable by the Shareholder Majority for the Relevant Shares (including details of any non-cash consideration (**Non-Cash Consideration**) receivable by the Shareholder Majority (or any of them) which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Relevant Shares (or any of them));

- 19.2.3 the price the Dragged Shareholders will receive for each Dragged Share (the **Drag Price**) and details of how that price has been calculated;
 - 19.2.4 the name of the Third Party Purchaser; and
 - 19.2.5 the proposed date for completion of the transfer of the Relevant Shares and the Dragged Shares (which shall be at least seven days after the date of the Drag Notice).
- 19.3 The Drag Price shall be equal to the price per Relevant Share receivable by the Shareholder Majority (including the cash equivalent of any Non-Cash Consideration). Any dispute about the calculation of the Drag Price shall immediately be referred to an Expert (whose decision shall, in the absence of manifest error, be final and binding) and pending its determination neither the Relevant Shares nor the Dragged Shares shall be transferred to the Third Party Purchaser.
- 19.4 Unless the Shareholder Majority and the Dragged Shareholders agree otherwise, the transfer of the Relevant Shares and the Dragged Shares (including payment of the consideration) shall take place on the same day.
- 19.5 The Company is unconditionally and irrevocably authorised to appoint any person as agent of each Dragged Shareholder to execute the required Transfer Forms for the Dragged Shares in the name and on behalf of that Dragged Shareholder and to do such other things as are necessary to transfer the Dragged Shares pursuant to this Article 19.
- 19.6 The provisions of this Article 19 shall prevail over any contrary provisions of these articles. Any Transfer Notice or deemed Transfer Notice served in respect of any Shares shall automatically be revoked by the service of a Drag Notice.
- 20. TAG ALONG**
- 20.1 Subject to Articles 16 and 19, a Shareholder (the **Committed Shareholder**) may not transfer any Shares (the **Controlling Shares**) to any person (the **Proposed Controller**) if it would result in the Proposed Controller (together with his Connected Persons and any persons Acting in Concert with him (together the **Interested Shareholders**)) obtaining or increasing a Controlling Interest unless before that transfer is made the Proposed Controller has made a bona fide offer (the **Tag Offer**) to the Shareholders (other than the Proposed Controller, the Committed Shareholder and the Interested Shareholders) (the **Uncommitted Shareholders**) in accordance with this Article 20 to purchase all their Shares (including any Shares which may be allotted to any of them pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into Shares, in existence at the date of the Tag Notice) (the **Uncommitted Shares**).
- 20.2 The Tag Offer shall be made by notice in Writing (the **Tag Notice**) and shall specify:
- 20.2.1 the price the Uncommitted Shareholders will receive for each Uncommitted Share (the **Tag Price**) and details of how that price has been calculated; and
 - 20.2.2 the date (the **Close Date**) by which each Uncommitted Shareholder must accept the Tag Offer (which shall be at least 21 days after the date of the Tag Notice).
- 20.3 Any Uncommitted Shareholder who has not accepted the Tag Offer by the Close Date shall be deemed to have rejected the Tag Offer.

20.4 The Tag Price shall be equal to the highest price paid or payable by the Proposed Controller (or any Interested Shareholder) for any Share (including the cash equivalent of any non-cash consideration paid or payable which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for that Share). Any dispute about the calculation of the Tag Price shall be immediately referred to an Expert (whose decision shall, in the absence of manifest error, be final and binding) and pending its determination the Controlling Shares shall not be transferred to the Proposed Controller.

20.5 Each accepted Tag Offer shall be completed and the consideration in respect of it paid (except insofar as failure to complete is due to the fault of the relevant Uncommitted Shareholder) before any of the Controlling Shares are transferred to the Proposed Controller.

20.6 For the purpose of Article 20.1 the expression transfer shall include the renunciation of a renounceable letter of allotment.

21. COMPLIANCE WITH TRANSFER PROVISIONS

21.1 For the purpose of ensuring compliance with the provisions of Articles 16 to 20 (inclusive), the Directors may require any Leaver or Shareholder to procure (to the extent he is able) that:

21.1.1 he;

21.1.2 any proposed transferee of any Shares; or

21.1.3 such other person as is reasonably believed to have information and/or evidence relevant to that purpose;

provides to the Directors any information and/or evidence relevant to that purpose and until that information and/or evidence is provided the Directors shall refuse to register any relevant transfer of Shares (except with Shareholder Consent).

21.2 Each Shareholder unconditionally and irrevocably authorises the Company to appoint any person as his agent to give effect to the provisions of these articles.

22. TRANSMISSION OF SHARES

22.1 If title to a Share passes to a Transmittée, the Company may only recognise that Transmittée as having any title to that Share.

22.2 Subject to the other provisions of these articles, and pending any transfer of Shares to another person, a Transmittée has the same rights as the Holder had but, except as provided by Article 20.2, a Transmittée does not have the right to attend or vote at a general meeting or agree to a proposed written resolution, in respect of any Shares to which he is entitled by reason of the Holder's death or bankruptcy or otherwise, unless that Transmittée becomes the Holder of those Shares.

23. EXERCISE OF TRANSMITTEES' RIGHTS

23.1 A Transmittée who in accordance with Article 18.2.8 chooses:

23.1.1 to become the Holder of any Shares to which he has become entitled, must notify the Company in Writing of that choice; and

- 23.1.2 to have a Share transferred to another person, must execute a Transfer Form in respect of it.
- 23.2 Any transfer made or executed under this Article 23 is to be treated as if it were made or executed by the person from whom the Transmittor has derived rights in respect of the relevant Share and as if the event which gave rise to the transmission had not occurred.

Decision making by shareholders

24. POLL VOTES

- 24.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 24.2 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.

25. PROXIES

- 25.1 Article 45(1)(d) of the Model Articles 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".
- 25.2 Article 45(1) of the Model Articles 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 article.

Administrative arrangements

26. MEANS OF COMMUNICATION TO BE USED

- 26.1 Subject to article 26.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient (whether or not actually received or read):
- 26.1.1 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
 - 26.1.2 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
 - 26.1.3 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
 - 26.1.4 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
 - 26.1.5 if deemed receipt under the previous paragraphs of this article 26.1 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 article, all references to time are to local time in the place of deemed receipt.

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

26.2.1 if delivered by hand the notice was delivered to the correct address; or

26.2.2 if sent by post the envelope containing the notice was properly addressed, paid for and posted; or

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

27. INDEMNITY

27.1 Subject to article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

27.1.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his 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

27.1.2 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 27.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

27.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

27.3 In this article:

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

27.3.2 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 he is also a director or other officer), to the extent he acts in his capacity as auditor).

28. INSURANCE

28.1 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 relevant loss.

28.2 In this article:

28.2.1 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 he is also a director or other officer), to the extent he acts in his capacity as auditor);

28.2.2 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

28.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.