

THE COMPANIES ACT 2006

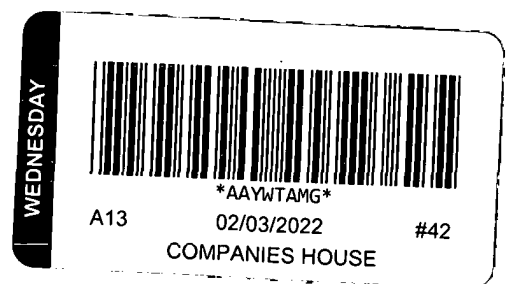
PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

WINDSOR MECHANICAL & ELECTRICAL LIMITED

Company No 11642127



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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
WINDSOR MECHANICAL & ELECTRICAL LIMITED ("COMPANY")
(Adopted by special resolution passed on *17 February* 2022)

Introduction

1. Interpretation

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

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

Act: means the Companies Act 2006;

Acting in Concert: has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).

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

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

Bad Leaver: a Departing Employee Shareholder who becomes a Departing Employee Shareholder in circumstances where he is not a Good Leaver;

Board: the board of directors of the Company as constituted from time to time;

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

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

CA 2006: means the Act;

Conflict: a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;

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

Deemed Transfer Notice: a Transfer Notice that is deemed to have been served under any provisions of these Articles;

Departing Employee Shareholder: an Employee Shareholder who (a) ceases to be an employee of the Company, and (b) on the Termination Date holds less than 25% of the voting rights of the Company;

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

Eligible Director: any 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);

Employee Shareholder: a shareholder who is, or has been, an employee of the Company;

Fair Value: in relation to shares, the price determined in accordance with article 18;

First Offer Shareholders: the holders of B Shares (if any);

Good Leaver: an Employee Shareholder who:

- a. becomes a Departing Employee Shareholder in circumstances where the Board resolves that he is a Good Leaver; or
- b. has held his shares for not less than three years and becomes a Departing Employee Shareholder by reason of his:
 - a. death; or
 - b. permanent disability or permanent incapacity through ill-health; or
 - c. dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful.

Interested Director: has the meaning given in article 9.1;

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

Proposed Sale Price: has the meaning given in article 14.1;

Sale Shares: has the meaning given in article 14.1;

Second Offer Shareholders: the holders of the A Shares, C Shares, D Shares and E Shares;

Seller: has the meaning given in article 14.1;

Shares: shares (of any class) in the capital of the Company and **Share** shall be construed accordingly;

Termination Date:

(a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires;

(b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(c) in any other case, the date on which the employment is terminated;

Transfer Notice: has the meaning given in article ~~14.1~~;

Transfer Price: has the meaning given in article ~~14.4~~;

Valuers: the Board or, if the Board at its sole discretion decides to refer the matter to an independent expert, either:

(a) the accountants for the time being of the Company; or, if they decline the instruction,

(b) an independent firm of accountants appointed by the Company,

(in each case acting as an expert and not as an arbitrator);

Writing or written: the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise;

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the CA 2006 shall have those meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an article is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 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.

2. Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22(2), 26(5), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors and the secretary)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 27(2)(a) and (b) shall be amended by the insertion, in each case, of the words "and to any other agreement to which the holder was party at the time of his death" after the words "subject to the articles".
- 2.6 Model Article 28(2) shall be amended by the deletion of the word "If" and the insertion of the words "Subject to the articles and to any other agreement to which the holder was party at the time of his death, if" in its place.
- 2.7 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

Directors

3. Directors' meetings

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.

- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it.
- 3.4 Each director has one vote at a meeting of directors.
- 3.5 If at any time before or at any meeting of the directors all Eligible Directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.
- 4. Unanimous decisions of directors**
- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter..
- 5. Number of directors**
- The number of directors shall not be less than two.
- 6. Calling a directors' meeting**
- 6.1 Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by all Eligible Directors) to each director or by authorising the Company secretary (if any) to give such notice.
- 6.2 Notice of any directors' meeting must be accompanied by:
- (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and

(b) copies of any papers to be discussed at the meeting.

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

7. Quorum for directors' meetings

- 7.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors.
- 7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 7.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for five Business Days at the same time and place.

8. Chairing of directors' meetings

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

9. Directors' interests

- 9.1 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**). Any authorisation under this article 9 will be effective only if:
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 9.2 Any authorisation of a Conflict under this article 9 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- (b) 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;
- (c) 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;
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- (e) 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
- (f) 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.

9.3 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.

9.4 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.

9.5 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 a 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.

10. Records of decisions to be kept

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

11. 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.

Shares

12. Share capital

12.1 The issued share capital of the Company at the date of the adoption of these Articles is £100 divided into:

- (a) 51 B Shares;
- (b) 3 C Shares;
- (c) 3 D Shares; and
- (d) 3 E Shares.

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

12.3 The holder(s) of the A Shares and the B Shares shall be entitled:

- (a) to receive notice of and attend and vote at any general meeting of the Company, and to vote on any shareholder resolution of the Company;
- (b) on a show of hands, each have one vote; and
- (c) on a poll, each have one vote for each Share held by him.

12.4 The holders of the C Shares, D Shares and E Shares (from time to time) shall not be entitled to vote in any circumstances.

12.5 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than to the holder of a share of that same class.

12.6 If and so long as the share capital is divided into different classes of shares, the directors may, subject to the provisions of the CA 2006, pay interim dividends at variable rates on the different classes of shares, and the Company, on the recommendation of the directors, may declare dividends at variable rates on the different classes of shares.

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

- (a) a share transferred to a non-shareholder shall remain of the same class as before the transfer; and
- (b) a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder.

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

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

13. Share transfers: general

13.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.

13.2 No shareholder shall transfer any share except:

- (a) a shareholder may transfer all (but not some only) of their shares in the Company for cash and not on deferred terms in accordance with the procedure set out in article 14; or
- (b) in accordance with article 15; or
- (c) in accordance with article 16; or
- (d) in accordance with article 17.

13.3 Any transfer of shares by way of a sale under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

13.4 Any Transfer Notice served in respect of the transfer of any shares which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

14. Pre-emption rights on the transfer of shares

14.1 Except where the provisions of article ~~15~~, article 16 or article 17 apply, a shareholder (Seller) wishing to transfer his shares (Sale Shares) must give notice in writing (a Transfer Notice) to the Company giving details of the proposed transfer including:

- (a) if the Seller wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
- (b) the price (in cash) at which the Seller wishes to sell the Sale Shares (Proposed Sale Price).

14.2 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.

14.3 Once given, a Transfer Notice may only be withdrawn by the Seller where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price. In such case, the Seller may, within ten Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Except as provided in this article, a Deemed Transfer Notice may not be withdrawn.

14.4 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the Board or, in default of agreement within ten Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article ~~16~~.

14.5 As soon as practicable following the determination of the Transfer Price, the directors shall (unless the Transfer Notice is withdrawn in accordance with article ~~14.3~~) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article ~~14~~ at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

14.6 The Board shall, subject to article ~~14.11~~, offer the Sale Shares in the following order of priority:

- (a) first, to the First Offer Shareholders (if any); and
- (b) second, to the Second Offer Shareholders,

in each case excluding any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice.

14.7 The directors shall offer the Sale Shares first to the First Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (the **First Offer Period**) for the maximum number of Sale Shares they wish to buy.

14.8 If:

- (a) at the end of the First Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each First Offer Shareholder who has applied for Sale Shares in the proportion which his existing holding of shares of the class being offered bears to the total number of shares of that class (excluding those held by the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the First Offer Shareholders shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Sale Shares which the shareholder has stated they are willing to buy;
- (b) not all Sale Shares are allocated following allocations in accordance with article ~~14.8(a)~~, but there are applications for Sale Shares that have not been satisfied, the directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article ~~14.8(a)~~. The procedure set out in this article ~~14.8(b)~~ shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and
- (c) at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the directors shall allocate the Sale Shares to the First Offer Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with article ~~14.9~~.

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

14.10 If:

- (a) at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is equal to or exceeds the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to each Second Offer Shareholder who has applied for Initial Surplus Shares in the proportion which

his existing holding of shares of the class held by Second Offer Shareholders bears to the total number of shares of that class. Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Initial Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements among the Second Offer Shareholders shall be determined by the directors). No allocation shall be made to a shareholder of more than the maximum number of Initial Surplus Shares which the shareholder has stated they are willing to buy;

- (b) not all Initial Surplus Shares are allocated following allocations in accordance with article ~~14.10(a)~~, but there are applications for Initial Surplus Shares that have not been satisfied, the directors shall allocate the remaining Initial Surplus Shares to such applicants in accordance with the procedure set out in article ~~14.10(a)~~. The procedure set out in this article ~~14.10(b)~~ shall apply on any number of consecutive occasions until either all Initial Surplus Shares have been allocated or all applications for Initial Surplus Shares have been satisfied; and
- (c) at the end of the Second Offer Period, the total number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the directors shall allocate the Initial Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the **Second Surplus Shares**) may be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article ~~14.15~~.

14.11 In the event that there are no First Offer Shareholders (other than the Seller(s)) at the date of the Transfer Notice and/or Deemed Transfer Notice(s) (as the case may be), article ~~14.7~~ and article ~~14.8~~ shall apply but the Sale Shares shall be offered first to the Second Offer Shareholders and the provisions of those articles shall apply to an offer of the Sale Shares to the Second Offer Shareholders mutatis mutandis.

14.12 The directors shall, when no further offers or allocations are required to be made under article ~~14.6~~ to article ~~14.10~~ (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least two Business Days, but not more than ten Business Days, after the date of the Allocation Notice).

14.13 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicant may reasonably require to show good title to the

Sale Shares, or to enable the Applicant to be registered as the holder of the Sale Shares.

14.14 If the Seller fails to comply with article ~~14.13~~:

- (a) the chairperson (or, failing the chairperson, any other director or some other person nominated by a resolution of the directors) may, as agent on behalf of the Seller:
 - (i) complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - (iii) (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
- (b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered the certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

14.15 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the ten Business Days following the date of service of the Allocation Notice, transfer the Initial Surplus Shares (subject to article ~~14.11~~) or the Second Surplus Shares (subject to article ~~14.10(c)~~) (as the case may be) to the buyer identified in the Transfer Notice (if any) at a price at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Initial Surplus Shares or Second Surplus Shares (as the case may be) to a third party buyer if that buyer was not identified in the Transfer Notice.

15. Compulsory transfers

15.1 A shareholder is deemed to have served a Transfer Notice under article ~~14.1~~ immediately before any of the following events:

- (a) a bankruptcy petition being presented for the shareholder's bankruptcy; or
- (b) an arrangement or composition with any of the shareholder's creditors being proposed; or

- (c) the shareholder convening a meeting of their creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of their creditors generally; or
- (d) the shareholder being unable to pay their debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (e) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
- (f) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which the shareholder is resident, carries on business or has assets; or
- (g) the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or the shareholder's shareholding; or
- (h) the shareholder (being an Employee Shareholder) becoming a Departing Employee Shareholder (a **Compulsory Employee Transfer**) (unless the directors otherwise direct in writing within ten Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served). For the purpose of this article ~~15.1(h)~~, the Transfer Notice is deemed to have been served on the relevant Termination Date.

15.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and, subject to article ~~15.2(b)~~, the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article ~~18~~;
- (b) the Transfer Price in respect of a Compulsory Employee Transfer shall, where the Departing Employee Shareholder is:
 - (i) a Bad Leaver, be restricted to a maximum of the lower of nominal value of the Sale Shares, and the aggregate Fair Value of such Sale Shares; and
 - (ii) a Good Leaver, be the aggregate Fair Value of such Sale Shares.

15.3 A Deemed Transfer Notice under article ~~15.1(h)~~ shall, save where the relevant shareholder is a Good Leaver immediately and automatically revoke:

- (a) a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article ~~15.1(h)~~; and

- (b) a Deemed Transfer Notice deemed to be served by the relevant shareholder under any of the events set out in article 15.1(a) to article 15.1(g) (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 15.1(h).

16. Drag along

- 16.1 If the holders of 75% by nominal value of the Shares in issue for the time being (**Selling Shareholders**) wish to transfer all (but not some only) of their shares (**Sellers' Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other Shareholders (**Called Shareholders**) to sell and transfer all their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article (**Drag Along Option**).
- 16.2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:
 - (a) that the Called Shareholders are required to transfer all their Called Shares pursuant to this article 16;
 - (b) the person to whom the Called Shares are to be transferred;
 - (c) the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per share offered by the Proposed Buyer for the Sellers' Shares; and
 - (d) the proposed date of the transfer.
- 16.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Sellers' Shares to the Proposed Buyer within 10 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 16.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 16.
- 16.5 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:
 - (a) all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders; or

- (b) that date is less than 2 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the 5th Business Day after service of the Drag Along Notice.

- 16.6 The proposed sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer is subject to the rights of pre-emption set out in article 14, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 16.7 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article ~~16.2(c)~~ to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 16.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article ~~16~~ in respect of their Shares.
- 16.9 If any Called Shareholder does not, on or before the Completion Date, execute and deliver (in accordance with article ~~16.7~~) transfer(s) in respect of all of the Called Shares held by it, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article ~~16~~.

17. Tag along rights on a change of control

- 17.1 Except in the case of transfers pursuant to article 15, the provisions of article ~~17.2~~ to article ~~17.6~~ shall apply if, in one or a series of related transactions, one or more sellers (Seller) propose to transfer any of the shares in the Company (Proposed Transfer) which would, if carried out, result in any person (Buyer), and any person Acting in

Concert with the Buyer, acquiring 75% or more of the nominal value of the entire issued share capital of the Company.

- 17.2 Before making a Proposed Transfer, a Seller shall procure that the Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer (**Specified Price**).
- 17.3 The Offer shall be made by written notice (**Offer Notice**), at least 10 Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- (a) the identity of the Buyer;
 - (b) the Specified Price and other terms and conditions of payment;
 - (c) the Sale Date; and
 - (d) the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).
- 17.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with article ~~17.2~~ and article ~~17.3~~, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.
- 17.5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.
- 17.6 The Proposed Transfer is subject to the pre-emption provisions of Article 14, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.
- 18. Valuation**
- 18.1 The Valuers shall be requested to determine the Fair Value within ten Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 18.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company;

- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (d) the Sale Shares are sold free of all encumbrances;
 - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - (f) to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 18.3 The shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 18.4 To the extent not provided for by this article ~~18~~, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 18.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 18.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct.

Decision making by shareholders

19. Poll votes

- 19.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the CA 2006) present and entitled to vote at the meeting.
- 19.2 Model Article 44(3) 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.

20. Proxies

- 20.1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time

appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

- 20.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

Administrative arrangements

21. Means of communication to be used

- 21.1 Subject to article ~~21.2~~, any notice, document or other information shall be deemed received by the intended recipient:

- (a) if delivered by hand, at the time the notice, document or other information is left at the address;
- (b) if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting;
- (c) if sent by email, at the time of transmission; or
- (d) 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.

- 21.2 If deemed receipt under article ~~21.1~~ would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, **Usual Business Hours** means 9.00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information (which, in the case of service by email shall be deemed to be the same place as is specified for service of notices, documents or other information on the relevant recipient by hand or post).

- 21.3 To prove service, it is sufficient to prove that:

- (a) if delivered by hand, the notice was delivered to the correct address;
- (b) if sent by post the envelope containing the notice was properly addressed, paid for and posted;
- (c) if sent by email, the notice was properly addressed and sent to the email address of the recipient.

- 21.4 In proving that any notice, document, or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

22. Indemnity and insurance

- 22.1 Subject to article ~~22.2~~, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by that person as a relevant officer in the actual or purported execution and/or discharge of the relevant officer's duties, or in relation to them, including any liability incurred by the relevant officer in defending any civil or criminal proceedings, in which judgment is given in the relevant officer's favour or in which the relevant officer is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on the relevant officer's part or in connection with any application in which the court grants them, in their capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs; and
- (b) the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by the relevant officer in connection with any proceedings or application referred to in article 22.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 22.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law and any such indemnity is limited accordingly.

- 22.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

- 22.4 In this article:

- (a) a "relevant officer" means any director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not that person is also a director or other officer), to the extent the person acts in their capacity as auditor; and
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company or any pension fund of the Company.