

THE COMPANIES ACT 2006

A PRIVATE COMPANY LIMITED BY SHARES

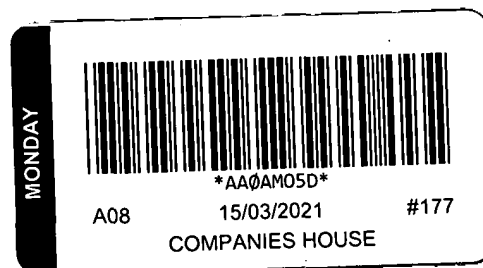
ARTICLES OF ASSOCIATION*

of

YORVIK LAND LIMITED

Incorporated on 29 April 2020

Company No. 12577932



Harrowells
SOLICITORS

Moorgate House
Clifton Moorgate, York
YO30 4WY
t: 01904 690111
DX 61464 Haxby
Ref: SLM/B23977/5
www.harrowells.co.uk

*Adopted by special resolution passed in writing on 18 February 2021

THE COMPANIES ACT 2006
A PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
YORVIK LAND LIMITED

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 ordinary share, having the rights detailed in article 11.5;

Act: the Companies Act 2006;

Appointor: has the meaning given in article 10.1;

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 ordinary share, having the rights detailed in article 11.5;

Bankruptcy Event: any of the following:

1. a bankruptcy petition or application being presented for the bankruptcy of a shareholder; or
2. an arrangement or composition being proposed by a shareholder with any of his creditors; or
3. a shareholder convening a meeting of his creditors or taking any other steps with a view to making an arrangement or composition in satisfaction of his debts generally; or
4. a shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
5. any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of a shareholder's assets; or

	6. the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets;
Business Day:	a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;
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;
Continuing Shareholder:	has the meaning given in article 14.1;
Controlling Interest:	an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010;
Deemed Transfer Notice:	a Transfer Notice that is deemed to have been served under any provisions of these Articles;
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);
Expert:	means an individual with specific expertise in the industry of the Company as nominated by the shareholders;
Fair Value:	in relation to shares, as determined in accordance with article 17;
Family Member:	a child or grandchild of an Original Shareholder;
Family Trust:	a trust created and administered for the benefit of Family Members only;
holding company:	has the meaning given in article 1.5;
Interested Director:	has the meaning given in article 8.1;
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;

Original Shareholder:	a shareholder who holds shares in the Company on the date of adoption of these Articles;
Permitted Transfer:	a transfer of shares made in accordance with article 15;
Permitted Transferee:	in relation to a shareholder which is an individual, a Family Member or a Family Trust;
Purchase Notice:	has the meaning given in article 14.5;
Sale Shares:	has the meaning given in article 14.1;
Sale Price:	has the meaning given in article 14.1.3;
Seller:	has the meaning given in article 14.1;
shares:	shares of any class in the capital of the Company from time to time;
subsidiary:	has the meaning given in article 1.5;
Transfer Notice:	an irrevocable notice in writing given by any shareholder to the other shareholder where the first shareholder desires, or is required by these Articles, to transfer or offer for transfer (or enter into an agreement to transfer) any shares;
Valuers:	the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 10 Business Days of a shareholder serving details of a suggested expert on the other shareholders an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (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 Act 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 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:

1.5.1 another person (or its nominee), by way of security or in connection with the taking of security; or

1.5.2 its nominee.

1.6 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.

1.7 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

1.8 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.

1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.

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, 22, 26(5), 27 to 29 (inclusive), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 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 The general rule about decision-making by directors is that 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 If:
- 3.2.1 the Company only has one director; and
 - 3.2.2 no provision of the Articles requires it to have more than one director, the general rule set out in article 3.1 does not apply, and the sole director may take decisions without regard to any of the provisions of the Articles relating to directors' decision-making.
- 3.3 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. The directors will try to meet at least once a year.
- 3.4 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution and resolutions at any meeting of the directors or committee of the directors shall be decided by majority vote.
- 3.5 Each director has one vote at a meeting of directors.

4. UNANIMOUS DECISIONS OF DIRECTORS

- 4.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 4.3 A decision may not be taken in accordance with these Articles if the Eligible Directors would not have formed a quorum at such a meeting.

5. CALLING A DIRECTORS' MEETING

- 5.1 Any director may call a meeting of directors by giving not less than seven (7) Business Days' notice of the meeting to each director or by authorising the Company secretary (if any) to give such notice.
- 5.2 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors present at the meeting agree.

6. QUORUM FOR DIRECTORS' MEETINGS

- 6.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors.
- 6.2 No business shall be conducted at any meeting of the directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 6.3 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.
- 6.4 For the purposes of any meeting (or part of a meeting) to authorise a director's Conflict, if there is only one (1) Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one (1) Eligible Director.

6.5 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decisions other than a decision;

6.5.1 to appoint further directors; or

6.5.2 to call a general meeting so as to enable the shareholders to appoint further directors.

7. CHAIRING OF DIRECTORS' MEETINGS

The post of chairman of the directors will be held by a director who is agreed upon by the board of directors. The chairman shall have a casting vote.

8. DIRECTORS' INTERESTS

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

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

8.2.1 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;

8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and

8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted.

8.3 Any authorisation of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):

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

- 8.3.2 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;
 - 8.3.3 provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 8.3.5 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
 - 8.3.6 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.
- 8.4 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.
- 8.5 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.
- 8.6 A director, notwithstanding his office, may be a director or other officer of, employed by, or otherwise interested (including by the holding of shares) in, the shareholder who appointed him as a director of the Company, or any other member of such shareholder's Permitted Group, and no authorisation under article 8.1 shall be necessary in respect of any such interest.

- 8.7 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
- 8.8 Subject to sections 177(5) and 177(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the Act.
- 8.9 Subject to sections 182(5) and 182(6) of the Act, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the Act, unless the interest has already been declared under article 8.8.
- 8.10 Subject, where applicable, to any terms and conditions imposed by the directors in accordance with article 8.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 8.10.1 may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - 8.10.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - 8.10.3 shall be entitled to vote at a meeting of directors (or of a committee of directors) or participate in any unanimous decision, in respect of

- such transaction or arrangement or proposed transaction or arrangement in which he is interested;
- 8.10.4 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;
- 8.10.5 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
- 8.10.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 8.11 For the purpose of these Articles, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- 8.12 Subject to article 8.13, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- 8.13 If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided of the directors at that meeting, for which purpose the chairman is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

9. RECORDS OF DECISIONS TO BE KEPT

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

10. ALTERNATE DIRECTORS

10.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise.

10.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company (and to the alternate, on removal) signed by the Appointor, or in any other manner approved by the directors.

10.3 The notice must:

10.3.1 identify the proposed alternate; and

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

10.4 An alternate director has the same rights, in relation to any decision of the directors; as the alternate's Appointor.

10.5 Except as the Articles specify otherwise, alternate directors:

10.5.1 are deemed for all purposes to be directors;

10.5.2 are liable for their own acts and omissions;

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

10.5.4 are not deemed to be agents of or for their Appointors,

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

10.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:

10.6.1 be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating);

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

10.6.3 shall not be counted as more than one (1) director for the purposes of articles 10.6.1 and 10.6.2

10.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.

10.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

10.9 An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

10.9.1 when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or

10.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director; or

10.9.3 when the alternate director's Appointor ceases to be a director for whatever reason.

SHARES

11. SHARE CAPITAL

11.1 Except as otherwise provided in these Articles, the shares in the Company shall rank pari passu in all respects.

11.2 The issued share capital of the Company at the date of adoption of these Articles is £100.00 comprising of the following:

11.2.1 55 A Shares; and

11.2.2 45 B Shares.

11.3 Powers to issue different classes of shares are subject to these Articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by a special resolution or, if no such resolution has been passed no shares shall be issued.

11.4 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the shareholders, by a special resolution, may determine the terms, conditions and manner of redemption of any such shares.

11.5 On the date of adoption of these Articles by the Company the share capital is made up of A Shares and B Shares both classes of which have the following rights:

11.6 A Shares:

11.6.1 **Voting rights:** full voting rights, with one vote per A Share;

11.6.2 **Distribution rights:** pro rata participation in any dividend from time to time declared on the A Shares;

11.6.3 **Capital rights:** pro rata participation on a capital distribution (including on winding up).

11.7 B Shares:

11.7.1 Voting rights: no rights to vote;

11.7.2 Distribution rights: pro rata participation in any dividend from time to time declared on the B Shares;

11.7.3 Capital rights: pro rata participation on a capital distribution (including on winding up).

11.8 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.

11.9 On the transfer of any share as permitted by these Articles a share transferred shall remain of the same class as before the transfer. 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.

11.10 No variation of the rights attaching to any class of shares shall be effective except with the sanction of a special resolution of the holders of the relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article, one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

11.11 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:

11.11.1 any alteration in the Articles; or

11.11.2 any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other

alteration in the share capital of the Company or any of the rights attaching to any share capital.

- 11.12 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the Act.

12. ALLOTMENT OF SHARES

- 12.1 All shares which the directors propose to issue shall first be offered to the shareholders in proportion as nearly as may be to the number of the existing shares held by them respectively. The offer shall be made by notice specifying the number of shares offered and limiting a period (not being less than fourteen (14) days) within which the offer, if not accepted, will be deemed to be declined. After the expiration of that period those shares so deemed to be declined shall be offered in the proportion aforesaid to the persons who have, within the said period, accepted all the shares offered to them; such further offer shall be made in like terms in the same manner and limited by a like period as the original offer. Any shares not accepted pursuant to such offer or further offer as aforesaid or not capable of being offered as aforesaid except by way of fractions shall be under the control of the directors who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit, provided that, in the case of shares not accepted as aforesaid, such shares shall not be disposed of on terms which are more favourable to the subscribers therefor than the terms on which they were offered to the shareholders. The foregoing provisions of this article shall have effect subject to Section 549 of the Act.

- 12.2 In accordance with Section 567(1) of the Act, Sections 561 and 562 (inclusive) of the Act shall not apply to the Company.

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 share shall be transferred unless the transfer is made in accordance with these Articles.

- 13.3 In the event that a share is transferred in breach of these Articles such transfer shall be deemed to be void.
- 13.4 Subject to article 13.5, the directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 13.5 The directors may, as a condition to the registration of any transfer of shares in the Company (whether to a Permitted Transferee or otherwise) require the transferee to execute and deliver to the Company a deed of adherence under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 13.5, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 13.6 To enable the directors to determine whether or not there has been a transfer of shares in the Company in breach of these Articles, the directors of any class may from time to time require any shareholder to provide the Company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to all shares held by that shareholder be entitled to be present or to vote in person or by proxy at any general meeting of the Company or any meeting of the holders of shares of that class, or to vote on a written resolution of the shareholders or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.
- 13.7 Any transfer of shares by way of a sale that is required to be made under article 15, article 16, article 18 or article 19 shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

14. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

- 14.1 Except where the provisions of article 15 or article 16 apply, a shareholder (**Seller**) wishing to transfer its shares (**Sale Shares**) must give a Transfer Notice to the other shareholders (**Continuing Shareholders**) giving details of the proposed transfer including:
- 14.1.1 the identity of the proposed buyer;
 - 14.1.2 the number of shares he wishes to transfer; and
 - 14.1.3 the price (in cash) at which it proposes to sell the Sale Shares (**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 with the agreement of the board of directors of the Company.
- 14.4 As soon as practicable following the receipt of a Transfer Notice, the board of directors shall offer the Sale Shares for sale in the manner set out in the remaining provisions of this Article. Each offer shall be in writing and give details of the number and Sale Price of the Sale Shares offered.
- 14.5 The board of directors shall offer the Sale Shares to each Continuing Shareholder in the proportion as nearly as may be to his existing holding of shares in the Company. Within 30 Business Days of receipt (or deemed receipt) of such offer, the Continuing Shareholders shall be entitled (but not obliged) to give notice in writing to the Seller that they wish to purchase the Sale Shares at the Sale Price or such other price as may be agreed between the Seller and the relevant Continuing Shareholder(s) (**Purchase Notice**).
- 14.6 The Continuing Shareholders are bound to buy all the Seller's Sale Shares at the Sale Price when they give a Purchase Notice to the Seller under article 14.5.
- 14.7 If, at the expiry of the period specified in article 14.5, upon some or all Continuing Shareholders having given a Purchase Notice, the directors shall

give notice in writing to the Seller and each Continuing Shareholder to whom Sale Shares have been allocated, of the number of Sale Shares allocated to such Continuing Shareholders.

- 14.8 If after following the procedure set out in this article 14 the total number of Sale Shares applied for and allocated to the Continuing Shareholders is less than the total number of Sale Shares then the directors shall procure that the Company shall purchase the remaining number of Sale Shares.

15. PERMITTED TRANSFERS

- 15.1 Any shareholder may at any time transfer all (but not some only) of its shares in the Company to a Permitted Transferee, without restriction as to price or otherwise, without being required to follow the steps set out in article 14.

- 15.2 In relation to a Permitted Transferee (being a Family Member or a trustee of a Family Trust) (other than a joint holder) holding shares pursuant to a Permitted Transfer from an Original Shareholder, on the occurrence of:

15.2.1 the Permitted Transferee's death;

15.2.2 the Permitted Transferee suffering a Bankruptcy Event;

15.2.3 the Permitted Transferee receiving written notice from the Original Shareholder requiring them to return the shares to the Original Shareholder; or

15.2.4 the Permitted Transferee lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholdings,

that Permitted Transferee, his personal representatives, his trustee(s) in bankruptcy, his attorney(s) or otherwise (as the case may be) shall, within ten (10) business days after the grant of probate, the making of the bankruptcy order, receipt of the notice from the Original Shareholder or the determination of lack of capacity (as the case may be), execute and deliver to the Company a transfer of those shares in favour of the Original Shareholder or another Permitted Transferee of the Original Shareholder, for such consideration as may be agreed between them.

15.3 A shareholder holding shares in the Company as a result of a Permitted Transfer made after the date of adoption of these Articles under the provisions of this article 15 may at any time transfer all (but not some only) of its shares back to the Original Shareholder from whom it received those shares or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 14.

15.4 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five (5) Business Days of ceasing to be a Permitted Transferee for any reason whatsoever transfer all of the shares in the Company held by it to:

15.4.1 the Original Shareholder from whom it received those shares; or

15.4.2 another Permitted Transferee of that Original Shareholder,

If the Permitted Transferee fails to make a transfer in accordance with this article 15.4, the Company may execute a transfer of the shares on behalf of the Permitted Transferee and register the Original Shareholder as the holder of such shares.

16. COMPULSORY TRANSFERS

16.1 Other than with the consent of the directors, a shareholder is deemed to have served a Transfer Notice under article 14.1 immediately before any of the following events:

16.1.1 a Bankruptcy Event;

16.1.2 any chargor taking any step to enforcing any charge created over any shares held by the shareholder in the Company (other than by the appointment of a receiver, administrative receiver or manager);
or

16.1.3 the shareholder committing a material or persistent breach of any shareholders' agreement to which it is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the other shareholder requiring such remedy; or

- 16.1.4 the shareholder having a disqualification order made against him under the Company Directors Disqualification Act 1986; or
 - 16.1.5 the death of the shareholder; or
 - 16.1.6 the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding.
- 16.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:
 - 16.2.1 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 16.2.2, the price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 17;
 - 16.2.2 if the Sellers is deemed to have given a Transfer Notice as a result of article 16.1.1, 16.1.2, 16.1.3, or 16.1.4, the price for the Sale Shares shall be restricted to the maximum of the lower of the aggregate subscription paid in respect of the Sale Shares, including any share premium, and the aggregate Fair Value of such Sale Shares;
 - 16.2.3 if the Continuing Shareholders do not accept the offer of shares comprised in the Deemed Transfer Notice in accordance with the procedure set out in clause 14, the Seller does not have the right to sell the Sale Shares to a third party and the directors shall procure that the Company shall purchase the Sale Shares.
- 16.3 A Deemed Transfer Notice shall immediately and automatically revoke a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice.
- 16.4 If the Seller fails to complete a transfer of Sale Shares as required under this article 16, the Company is irrevocably authorised to appoint any person it nominates for the purpose as agent to transfer the Sale Shares on the Seller's behalf and to do anything else that the Continuing Shareholders may reasonably require to complete the sale, and the Company may receive the

purchase price in trust for the Seller, giving a receipt that shall discharge the Continuing Shareholders.

17. VALUATION

- 17.1 As soon as practicable after deemed service of a Transfer Notice under article 16, the shareholders shall appoint the Valuers to determine the Fair Value of the Sale Shares.
- 17.2 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the shareholders in writing of their determination.
- 17.3 The Fair Value for any Sale Share shall be the price per share determined by the Valuers on the following bases and assumptions:
 - 17.3.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
 - 17.3.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 17.3.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - 17.3.4 the Sale Shares are sold free of all encumbrances;
 - 17.3.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value.
- 17.4 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.

- 17.5 To the extent not provided for by this article 17, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 17.6 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).
- 17.7 The Company and the shareholder whose shares are to be sold shall bear the costs in relation to the reference to the Valuers, split 50/50, unless the Valuer directs otherwise.

18. DRAG ALONG

- 18.1 If a shareholder(s) holding not less than 50% of the Company's issued share capital (together the **Selling Shareholders** and individually a **Selling Shareholder**) wishes to transfer their shares (**Sellers Shares**) to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Selling Shareholders may require all other holders of shares in the Company (**Called Shareholders**) to sell and transfer all of 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**).
- 18.2 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:
- 18.2.1 that the Called Shareholders are required to transfer all of their Called Shares pursuant to this article 18;
- 18.2.2 the person to whom the Called Shares are to be transferred;
- 18.2.3 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 shares held by the Selling Shareholders; and
- 18.2.4 the proposed date of the transfer.

- 18.3 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 their shares to the Proposed Buyer within three calendar months of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 18.4 No Drag Along Notice shall require the Called Shareholders to agree to any terms except those specifically set out in this article 18.
- 18.5 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 shares belonging to the Selling Shareholders unless the Selling Shareholders and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by them, unless that date is less than five (5) Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place ten (10) Business Days after the date of service of the Drag Along Notice.
- 18.6 The proposed sale of the shares by the Selling Shareholders or the Called Shareholders to the Proposed Buyer under the terms of clause 18.1 is not subject to the rights of pre-emption set out in article 14.
- 18.7 On or before the Completion Date, the Called Shareholders shall execute and deliver a stock transfer form for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) 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 18.2 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.
- 18.8 If the Called Shareholders do not, on or before the Completion Date, execute and deliver (in accordance with article 18.7) transfer(s) in respect of all of the Called Shares held by them, the Called Shareholders 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 he 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 such person. Failure to produce a share certificate shall not impede the registration of shares under this article 18.8.

19. TAG ALONG

19.1 The provisions of article 19.2 to article 19.5 shall apply if a shareholder(s) holding not less than 50% of the Company's issued share capital (**Vendor**) proposes to transfer shares to a bona fide purchaser on arm's length terms (**Proposed Transfer**) and such transfer would, if carried out, result in such person (**Buyer**) acquiring a Controlling Interest in the Company.

19.2 Before making a Proposed Transfer, the Vendor shall procure that the Buyer makes an offer (**Offer**) to the remaining shareholders (**Remaining Shareholders**) to purchase all of the shares held by the Remaining Shareholders for a consideration in cash per share that is at least equal to the price per share offered by the Buyer in the Proposed Transfer (**Specified Price**).

19.3 The Offer shall be made by written notice (**Offer Notice**), at least 30 Business Days before the proposed transfer date (**Transfer Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

19.3.1 the identity of the Buyer;

19.3.2 the Specified Price and other terms and conditions of payment;

19.3.3 the Transfer Date; and

19.3.4 the number of shares proposed to be purchased by the Buyer (**Offer Shares**).

19.4 If the Buyer fails to make the Offer in accordance with article 19.2 and article 19.3, and/or the Offer is not accepted by all of the Remaining Shareholders, then the Vendor 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.

- 19.5 If the Offer is accepted by the Remaining Shareholders in writing within 20 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 such shareholder.

DECISION MAKING BY SHAREHOLDERS

20. QUORUM FOR GENERAL MEETINGS

- 20.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy.
- 20.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

21. CHAIRING GENERAL MEETINGS

The chairman of the board of directors shall chair general meetings, if present and willing to do so. If the chairman is unable to attend or unwilling to chair the meeting, or is not present within ten (10) minutes of the time at which the meeting was due to start, a director shall be entitled to appoint another director present at the meeting to act as chairman at the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

22. VOTING

- 22.1 At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.
- 22.2 Any resolution of the shareholders proposed as a written resolution shall be proposed in a form that provides shareholders with the ability to cast their votes against as well as in favour of such resolution.

23. POLL VOTES

- 23.1 A poll may be demanded at any general meeting by a qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 23.2 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.

24. PROXIES

- 24.1 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 general meeting (or adjourned meeting) to which they relate".
- 24.2 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" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

25. MEANS OF COMMUNICATION TO BE USED

- 25.1 Subject to article 25.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 25.1.1 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
- 25.1.2 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
- 25.1.3 if sent by email, at the time of transmission; or

25.1.4 if deemed receipt under the previous paragraphs of this article 25.1 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 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.

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

25.2.1 if delivered by hand the notice was delivered to the correct address;

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

25.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.

25.3 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 Act.

26. DEADLOCK

There is a deadlock if a resolution is proposed at a properly convened meeting of the shareholders or of the directors and the number of votes for and against a proposal are equal (**Deadlock**).

27. RESOLUTION OF DEADLOCK

27.1 If a Deadlock occurs, either party may within 14 days of the meeting at which the Deadlock arises or resolution in respect of which the Deadlock arises (as the case may be) serve notice on the other party (**Deadlock Notice**):

27.1.1 stating that in its opinion a Deadlock has occurred; and

27.1.2 identifying the matter giving rise to the Deadlock (**Dispute**).

27.2 Following the service of a Deadlock Notice:

27.2.1 the parties shall attempt in good faith to resolve the Dispute; or

- 27.2.2 if the Dispute is not resolved within 30 days of the Deadlock Notice, parties shall, if considered appropriate by the parties, refer the Dispute to an Expert for an opinion.
- 27.3 Notwithstanding article 27.2, if the parties are unable to resolve the Dispute within 30 days of the Deadlock Notice or referral to an Expert, whichever is later, either party may serve a notice to the other in which the server offers to sell all its shares in the Company to the recipient of the notice or to buy all the recipient's shares in the Company (but not both) (**Deadlock Resolution Notice**).
- 27.4 The recipient of a Deadlock Resolution Notice may choose to do either of the following, at the price for each share specified in the Deadlock Resolution Notice, by serving a counter notice within 14 days of receipt of the Deadlock Resolution Notice:
- 27.4.1 buy all the shares in the Company of the server of the Deadlock Resolution Notice; or
- 27.4.2 sell all its shares in the Company to the server of the Deadlock Resolution Notice.
- 27.5 If no counter notice is served within the period of 14 days available, the recipient of the Deadlock Resolution Notice is deemed to have accepted the offer in the Deadlock Resolution Notice at the expiry of that period.
- 27.6 The service of a counter-notice, or deemed acceptance of the Deadlock Resolution Notice, shall bind the parties to buy and sell the shares (as the case may be) in accordance with the Articles.
- 27.7 If both parties serve a Deadlock Resolution Notice under article 27.3, only the first Deadlock Resolution Notice to be served shall be effective.
- 27.8 If at the end of the 14 day period specified in article 27.4 neither party has served a Deadlock Resolution Notice, either party may elect by written notice served on the other party for all of the shares in the Company to be sold on the open market to a third party.

28. INDEMNITY AND INSURANCE

28.1 Subject to article 28.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

28.1.1 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 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 affairs; and

28.1.2 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 28.1.1 and otherwise may take action to enable any such relevant officer to avoid incurring such expenditure.

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

28.3 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.

28.4 In this article:

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

28.4.2 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 or any pension fund of the Company.