

Company number: 13156613

ARTICLES OF ASSOCIATION
of
NHF HOLDINGS LTD

Incorporated on 25 January 2021

Adopted by special resolution passed on 26 February 2021



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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
NHF HOLDINGS LTD
(Company)

Adopted on special resolution on 26 February 2021

1. PRELIMINARY

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company (Model Articles) apply to the Company except in so far as they are excluded or varied by these Articles.

2. INTERPRETATION

2.1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

2006 Act: the Companies Act 2006 (as amended from time to time).

A Director: a director appointed pursuant to Article 11.

A Ordinary Shares: the A ordinary shares of £1.00 each of the Company having the rights set out in Article 16 in respect of Shares of that class.

A Shareholder Consent: the consent in writing of the holders of at least 51% of the A Ordinary Shares who are Eligible.

A Shareholder: a holder of A Ordinary Shares, together the A Shareholders.

acting in concert: the meaning set out in the City Code on Takeovers and Mergers for the time being.

Additional Shares: the meaning given to that expression in Article 18.3.

Allocation Notice: as the context requires, has the meaning given to that term in Article 21.10 or Article 23.13.

Articles: these Articles of Association as amended, supplemented, varied or replaced from time to time.

Auditors: the auditors to the Company for the time being (if appointed) or if there are none the accountants to the Company for the time being.

Available Profits: the profits available for distribution within the meaning of Part 23 of the 2006 Act.

B Director: a director appointed pursuant to Article 11.

B Ordinary Shares: the B Ordinary Shares of £1.00 each of the Company having the rights set out at Article 16 in respect of Shares of that class.

B Shareholder Consent: the consent in writing of the holders of at least 51% of the B Ordinary Shares who are Eligible.

B Shareholder: a holder of B Ordinary Shares, together the B Shareholders.

Bad Leaver: a person who is a Leaver who ; -

- (a) commits fraud against the Company;
- (b) becoming bankrupt;
- (c) is in material and/or persistent breach of these Articles or any agreement in place from time to time between the shareholders of the Company (if any); or
- (d) is disqualified as a director.

Board: the board of directors of the Company from time to time.

Business Day: any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business.

Buyer: the meaning given to that expression in Article 22.5.

C Ordinary Shares: the C ordinary shares of £1.00 each having the rights set out at Article 16 in respect of Shares of that class.

Called Shareholders: has the meaning given to that term at Article 22.5.

Called Shares: the meaning given to that term at Article 22.5.

Compulsory Sale Price: the meaning given to that term at Article 23.5.

Conflict of Interest: a direct or indirect conflict of interest as defined in section 175(1) of the 2006 Act.

Controlling Interest: an interest (as defined in sections 820 to 825 of the 2006 Act) in Shares conferring in aggregate more than 50 per cent of the total voting rights normally exercisable at a general meeting of the Company.

connected person: the meaning given to that expression in section 993 of the Income Taxes Act 2007 and "connected with" shall be construed accordingly.

Consent: any consent or approval which is required pursuant to any of the terms of these Articles.

Consenting Party: any person who (at the relevant time) is both Eligible and required to give Consent pursuant to the Articles.

Credited as Paid Up: the amounts paid up or credited as paid up on a share including any premium or in respect of an Equity Share, together with amounts paid up or credited as paid up

on such Equity Share including any premium and the purchase price paid for such Equity Share to the Shareholders (if applicable).

Deemed Transfer Notice: the meaning given to that term at Article 23.2.

Default: where the A Shareholders have exercised any rights they may have to take control of the Board.

Drag Along Notice: the meaning given to that term at Article 22.5.

Drag Along Option: the meaning given to that term at Article 22.5.

electronic address: any address or number used for the purposes of sending or receiving documents or information by electronic means.

Eligible: any person (whether in his/her capacity as a director of the Company or an employee or a Shareholder) who at the Relevant Time:

- (e) is in not breach of any agreement between the members of the Company for the time being in force, these Articles and/or his/her relevant service agreement; and
- (f) does not have a Conflict of Interest.

Employee Trust: any other trust established by the Company for the benefit of employees and/or any of the persons referred to in section 1166 of the 2006 Act and which has been approved by Unanimous Shareholder Consent.

Equity Shares: the A Ordinary Shares and the B Ordinary Shares (but excluding the C Ordinary Shares) parri passu as if they constituted a single class of share.

Excess Sale Shares: as the context requires, has the meaning given to that term at Article 21.7(b) and Article 23.10(b).

Family Trust: in relation to an individual Shareholder, a trust or settlement set up wholly for the benefit of that individual Shareholder (Settlor) and/or the Settlor's Privileged Relations.

Financial Year: shall in respect of the Company have the meaning defined by section 390 of the 2006 Act.

FSMA: the Financial Services and Markets Act 2000 (as amended from time to time).

Good Leaver: a person who is a Leaver who is not a Bad Leaver or who is deemed by the Board (with Unanimous Shareholder Consent), in its absolute discretion, to be a Good Leaver.

Group: the Company and each of its subsidiaries from time to time and references to "member of the Group" and "Group Company" is to be construed accordingly.

holder: in respect of any Share, the person or persons for the time being registered by the Company as the holders of that Share and "shareholder" shall be interpreted accordingly.

Issue Notice: the meaning given to that expression in Article 18.4.

Issue Price: in respect of a Share, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium.

Joint Election: a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003 in a form approved by the Board with A Shareholder Consent, such approval being evidenced by the delivery of A Shareholder Consent.

Leaver: a holder of B Ordinary Shares who:

- (a) is an individual; and
- (b) is or was previously an employee of, or a consultant to, a member of the Group; and
- (c) ceases to hold such employment or consultancy and as a consequence is no longer an employee or consultant of any member of the Group.

Listing: the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any Share to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any Share to trading on AIM, a market of the London Stock Exchange plc or the admission by any recognised investment exchange of any Share, and, in each case, such admission becoming effective.

Majority Sellers: the meaning given to that term in Article 22.5.

Majority Sellers' Shares: the meaning given to that term in Article 22.5.

Market Value: for the purposes of these Articles means the amount agreed between the Board (with A Shareholder Consent) and the Seller or, in the absence of agreement within 15 Business Days of the date of the Transfer Notice and/or the Deemed Transfer Notice, as may be determined by the Auditors in accordance with Article 24.

Member Applicant: as the context requires, has the meaning given to that term in Article 21.10 or Article 23.13.

Member Subscriber: the meaning given to that expression in Article 18.4.

Net Profits: the profit on ordinary activities after taxation of the Company and its subsidiaries calculated on the historical cost accounting basis and shown in the annual accounts for the relevant Financial Year but adjusted by adding back any payment or provision which has been made for any dividend on any share capital of the Company or any of its subsidiaries, the transfer of any sum to reserves and any amortisation of goodwill.

Offer Notice: as the context requires, has the meaning given to that term at Article 21.5 or Article 23.8.

Permitted Transfer: a transfer of Shares pursuant to Article 20.

Permitted Transferee: in relation to a Shareholder who is an individual, to any of his Privileged Relations, Family Trusts, or to the trustees of those Family Trusts and/or any person nominated with A Shareholder Consent as being a permitted transferee.

Privileged Relation: the parent, the spouse, widow or widower of a Shareholder and the Shareholder's children and grandchildren (including step and adopted children) and step and adopted children of the Shareholder's children.

Proportionate Element: the meaning given to that expression in Article 18.3.

Proportionate Entitlement: as the context requires, has the meaning given to that term in Article 21.5 or Article 23.9(b).

recognised investment exchange: the meaning given to the expression in section 285(1) FSMA.

Relevant Time: at the time when the relevant Consent is required under these Articles.

Sale: the transfer (other than a transfer permitted under **Article 20.1**) of any interest in Shares to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest.

Sale Shares: as the context requires, has the meaning given to that term at **Article 21.1(a)** or **Article 23.2**.

Security: means any debenture, mortgage, charge, pledge, lien, assignment, hypothecation, title retention or other security interest or arrangement granted by any Group Company. .

Seller: a holder who wishes, or is required, to transfer any Share or any beneficial interest therein to a person to whom **Article 20** does not apply.

Serious Ill Health: for the purpose of these Articles means an illness or disability certified by a general medical practitioner (nominated or approved by the Board with A Shareholder Consent) as rendering the departing person permanently incapable of carrying out his role as an employee and/or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol.

Shareholders: those persons registered in the register of members of the Company as being the holders of Shares.

Shares: shares in the capital of the Company.

Statutes: the Companies Act as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company.

Tag Along Offer: the meaning given to that term at **Article 22.3**.

Transfer Event: the meaning given to that term at **Article 23.1**.

Transfer Notice: the meaning given to that term at **Article 21.1**.

Transfer Price: the meaning given to that term at **Article 21.1(c)**.

Unanimous Shareholder Consent: both:

- (a) A Shareholder Consent; and
- (b) B Shareholder Consent.

- 2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company).
- 2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.
- 2.4 Reference to a “subsidiary” or “holding company” will have the meanings defined by section 1159 CA 2006 and for the purposes of section 1159(1) a company (the first company) shall be treated as a member of another company if:

- (a) any of its subsidiaries is a member of that other company; or
 - (b) any shares in that other company are held by a person acting on behalf of the first company or any of its subsidiaries; or
 - (c) any shares in that other company are registered in the name of a person (or its nominee) by way of security or in connection with the granting of security over those shares by the first company.
- 2.5 Where the word “address” appears in these Articles it is deemed to include postal address and, where applicable, electronic address.
- 2.6 Words signifying the singular number only include the plural number and vice versa.

PROCEEDINGS OF DIRECTORS

3. DIRECTOR’S 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 by these Articles, the director may participate in directors’ meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will meet at least quarterly.

4. UNANIMOUS DECISIONS OF DIRECTORS

A decision of the directors 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. **Model Article 8(2)** shall not apply to the Company.

5. CALLING A DIRECTORS’ MEETING

- 5.1 Any director may call a directors’ meeting by giving not less than 21 days’ notice of the meeting (or such lesser notice as the A Director may agree) to the directors or by authorising the company secretary (if any) to give such notice. **Model Article 9(1)** shall not apply to the Company.
- 5.2 Notice of a directors’ meeting shall be given to each director in writing. **Model Article 9(3)** shall not apply to the Company.

6. REMOVAL OF DIRECTORS

- 6.1 The office of any director shall be vacated if:
- (a) in the case of an executive director who is not an A Director or a B Director he shall, for whatever reason, cease to be employed by the Company or any other member of the Group and he does not remain an employee of any other Group Company; or

(b) other than in the case of an A Director or B Director, all the other directors (with A Shareholder Consent) request his resignation in writing,
and the provisions of Model Article 18 shall be extended accordingly.

7. PARTICIPATION IN DIRECTORS' MEETINGS

7.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

- (a) the meeting has been called and takes place in accordance with these Articles; and
- (b) they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

7.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to Article 7.1(b), how they communicate with each other.

7.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

7.4 Model Article 10 shall not apply to the Company.

7.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

8. QUORUM FOR DIRECTORS' MEETINGS

8.1 Subject to Article 8.1, the quorum for directors' meetings shall throughout each meeting be two Eligible directors one of whom must, subject to Article 8.1, be an A Director (if appointed) and one of whom shall be a B Director (if appointed). In the event of a Default, the quorum for directors' meetings shall throughout each meeting shall be one director whom must be an A Director (if appointed).

8.2 In relation to any meeting of the directors to consider whether to authorise a Conflict of Interest of an A Director or a B Director:

- (a) it shall not be necessary for the relevant A Director or B Director to be present in person or by proxy in order to constitute a quorum;
- (b) the meeting shall not deal with any other business other than that of the consideration of the conflict of interest of the relevant Director; and
- (c) the quorum for such meeting shall be one and Model Article 11(2) is varied accordingly.

- 8.3 Without prejudice to **Article 8.1**, if, and as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a meeting of the directors the following apply:
- (a) if the eligible directors participating in the meeting do not constitute a quorum, then the quorum for the purposes of the meeting shall be one which must be, other than a meeting pursuant to **Article 8.1**, an A Director (if appointed) and **Model Article 11(2)** is varied accordingly; and
 - (b) if, notwithstanding **Article 8.3(a)**, the eligible directors participating in the meeting still do not constitute a quorum, then the meeting must be adjourned to enable the holders to authorise any situation in which a director has a conflict of interest.

9. **DIRECTORS' INTERESTS**

- 9.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director notwithstanding his office, but, in the case of directors other than an A Director, subject always to obtaining A Shareholder Consent:
- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
 - (b) may hold any other office or employment with the Company (other than the office of Auditor);
 - (c) may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
 - (d) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as Auditor); and
 - (e) shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Articles 9.1(a) to 9.1(d)** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 9.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which the director or any other interested director may have or where the terms of authorisation of such conflict of interest provide that the director may not vote in situations prescribed by the Board when granting such authorisation, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles 9.1(a) to 9.1(d)** (inclusive) and in any of the circumstances set out in **Model Articles 14(3) and 14(4)**.
- 9.3 For the purposes of **Article 9.1**:
- (a) a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure

that the director has an interest in any such transaction of the nature and extent so specified;

- (b) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (c) an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force at the date of adoption of these Articles) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director.

9.4 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.

10. AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST

- 10.1 Any approval of a Conflict of Interest pursuant to Article 9 will be subject, in addition to board authorisation pursuant to section 175 of the 2006 Act, to obtaining A Shareholder Consent which may specify that certain conditions be attached to such board authorisation. Any such board authorisation pursuant to section 175 of the 2006 Act which is given without obtaining A Shareholder Consent or without such conditions attaching to the authorisation as specified by the Consenting Party will be ineffective.
- 10.2 Any conflict of interest of an A Director may be authorised either by way of authorisation of the Board as set out at section 175 of the 2006 Act or by way of resolution of the holders. Any refusal of the Board to authorise such conflict of interest will not in any way affect the validity of a resolution of the holders to authorise such conflict of interest.
- 10.3 An A Director will not be in breach of his duty under sections 172, 173 and 175 of the 2006 Act or the authorisation given by this Article 10 by reason only that he receives confidential information from a third party relating to a conflict of interest which has been authorised by this Article 10 and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs.

11. 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.

12. SHAREHOLDER DIRECTORS

- 12.1 Each Eligible holder holding 50% or more of the A Ordinary Shares then in issue may from time to time appoint any person to be a director with the title of A director (an "A Director" which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from time to time remove such A Director from office.
- 12.2 There shall not be more than one director bearing the title of A Director in office at any time.

- 12.3 Any appointment or removal of an A Director shall be in writing served on the Company signed by the relevant A Shareholder(s) and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier.
- 12.4 Upon written request by the relevant A Shareholder(s), the Company shall procure that their appointed A Director is forthwith appointed as a director of any other member of the Group, to any committee of the Board or committee of the board of any member of the Group.
- 12.5 If a Default occurs, the A Director(s) (if more than one, acting unanimously only) shall be entitled to exercise such number of votes at any meeting of the Board or of any committee of which they are members which is equal to one vote more than half of the total number of votes exercisable at such a meeting or, in the event that this would result in their apparently being entitled to exercise a fractional number of votes (for example 2.5 with a Board of 5) the number of votes they are entitled to exercise shall be rounded up to the nearest whole number.
- 12.6 Each Eligible holder holding 50% or more of the B Ordinary Shares then in issue may from time to time appoint any person to be a director with the title of B director (a “B Director” which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from time to time remove such B Director from office.
- 12.7 There shall not be more than one director bearing the title of B Director in office at any time.
- 12.8 Any appointment or removal of a B Director shall be in writing served on the Company signed by the relevant B Shareholder(s) and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier.
- 12.9 Upon written request by the relevant B Shareholder(s) the Company shall procure that their appointed B Director is forthwith appointed as a director of any other member of the Group, to any committee of the Board or committee of the board of any member of the Group.
13. **CASTING VOTE**
- 13.1 Reference in Model Article 13(1) to “chairperson or other director chairing the meeting” shall be construed as a reference to the “A Director” for so long as one is appointed.
- 13.2 Reference in Model Article 13(2) to “chairperson or other director” shall be construed as a reference to the “A Director” for so long as one is appointed.
14. **ALTERNATE DIRECTORS**
- 14.1 **Appointment and removal of alternates**
- (a) Any director (other than an alternate director) (**appointor**) may appoint as an alternate director any other director, or, with a Shareholder Consent, any other person, to:
- (i) exercise that director’s powers; and
- (ii) carry out that director’s responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate director's appointor.

- (b) Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.
- (c) The notice must:
 - (i) identify the proposed alternate director; and
 - (ii) in the case of a notice of appointment, contain a statement signed by the proposed alternate director that they are willing to act as the alternate director of the director giving the notice.

14.2 Rights and responsibilities of alternate directors

- (a) An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate director's appointor.
- (b) An alternate director may act as an alternate director for more than one appointor.
- (c) Except if these Articles specify otherwise, alternate directors:
 - (i) are deemed for all purposes to be directors;
 - (ii) are liable for their own acts and omissions;
 - (iii) are subject to the same restrictions as their appointors; and
 - (iv) 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.
- (d) A person who is an alternate director but not a director may, subject to the person being an Eligible director:
 - (i) 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 not participating); and
 - (ii) participate in a unanimous decision of the directors (but only if his appointor is an Eligible director in relation to that decision, but does not participate).

No alternate director may be counted as more than one director for such purposes.

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

- (f) An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate director's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

14.3 Termination of alternate directorship

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

- (a) when the alternate director's appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate;
- (b) on the occurrence, in relation to the alternate director, of any event which, if it occurred in relation to the alternate director's appointor, would result in the termination of the appointor's appointment as a director;
- (c) when the alternate director's appointer ceases to be a director for whatever reason.
- (d)

15. ALTERNATE DIRECTORS' EXPENSES

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

16. SHARE RIGHTS

Save as otherwise provided in these Articles, the A Ordinary Shares and the B Ordinary Shares shall be treated *pari passu* and as if they constituted one class of Share. The rights attached to the A Ordinary Shares and the B Ordinary Shares are as follows:

16.1 Dividends

- (a) The rights as regards income attaching to each class of Shares shall be as set out in this Article 16.
- (b) Any profits which the Company determines to distribute in respect of any Financial Year shall, subject to the approval of the holders in general meeting and with A Shareholder Consent, be applied in distributing such profits amongst the holders of the Equity Shares then in issue *pari passu* according to the number of such Shares held by them respectively as if they constituted one class of share.
- (c) The C Ordinary Shares shall have no entitlement to participate in any distribution of profits.
- (d) Where, by reason of the Company having had insufficient Available Profits it is in arrears with the payment of dividends, the first Available Profits arising thereafter shall be applied in or towards paying off all accruals and/or unpaid amounts of any dividend declared on the Equity Shares in accordance with Article 16.1(b) subject to the remaining provisions of this Article 16.1.
- (e) The Company shall procure (so far as it is able) that each of its subsidiaries and each of its subsidiary undertakings which has Available Profits shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company

that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful and prompt payment by the Company of dividends to the Shareholders pursuant to this Article 16.1.

- (f) In determining what profits shall be distributed pursuant to Articles 16.1(b) the Board shall always take into consideration the ongoing capital and/or liquidity requirements of the Company and shall not incur additional borrowings.

16.2 Capital

On a return of capital on liquidation or capital reduction or otherwise, the surplus assets of the Company remaining after the payment of its liabilities shall be applied in paying each holder of Shares:

- (a) firstly, all declared but unpaid dividends;
- (b) secondly, an amount equal to the Issue Price of all the Equity Shares and C Ordinary Shares held; and
- (c) thereafter, in distributing the balance of such assets amongst the holders of the Equity Shares (pari passu as if they constituted one class of Share) in proportion to the numbers of Equity Shares held by them respectively.

16.3 Voting

- (a) Subject to any rights or restrictions for the time being attached to any class or classes of Shares, and to Articles 16.3(d) to 16.3(f), each holder of Equity Shares shall be entitled to receive notice of, and to attend and speak at, any general meeting and at any separate class meeting of the Company for Shares of the class they hold and:
 - (i) on a written resolution, each holder, shall have one vote in respect of each Share they hold; and
 - (ii) each holder who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote in respect of each Share they hold.
- (b) The holders of the C Ordinary Shares shall not be entitled to receive notice of, and to attend and speak at, any general meeting the Company in respect of the C Ordinary Shares (only)
- (c) Each holder shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting or at a separate class meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different Share or Shares held by such holder.
- (d) The provisions of Article 16.3(e) shall apply to the B Ordinary Shares only:
 - (i) if, at any time without A Shareholder Consent, any holder or any former holder has transferred those Shares in breach of the provisions of these Articles;
 - (ii) if, at any time without A Shareholder Consent, any holder of such Shares is in material breach of the provisions of these Articles and/or any agreement

between the shareholders or any former holder (if still bound by the such agreement) is in material breach of the provisions of that agreement (if any);

- (iii) if any such holder becomes a Leaver; or
- (iv) if any such holder has served a Transfer Notice pursuant to **Article 21** (Voluntary Transfers) in respect of any Shares held by them.

(e) If any of the circumstances stated at **Article 16.3(d)** have occurred:

- (i) the Shares which such holder holds or to which he is entitled; and
- (ii) any Shares formerly held by such holder which have been transferred either in breach of the provisions of these Articles or in accordance with **Article 20** (Permitted Transfers),

shall cease to entitle the holder thereof (or any proxy) to receive notice of or to attend and vote (whether on a show of hands or on a poll) at any general meeting or at any separate class meeting of the Company or to be entitled to receive any further Shares issued by way of rights issue (or otherwise) from the date of any breach referred to at **Articles 16.3(d)(i)** and **16.3(d)(ii)**, the date a Leaver becomes a Leaver in accordance with **Article 23.4** or the date upon which a Transfer Notice is served pursuant to **Article 21** (as the case may be).

(f) The provisions of **Article 16.3(e)** shall continue to apply:

- (i) in the case of **Articles 16.3(d)(i)** or **16.3(d)(ii)**, for so long as such breach subsists;
- (ii) in the case of **Article 16.3(d)(iii)** or **16.3(d)(iv)**, until such time as the relevant Shares have been transferred pursuant to the provisions of **Articles 21** and/or **23** (as the case may be); and
- (iii) notwithstanding any other provisions in these Articles, if any holder of B Ordinary Shares retains any Shares, after the operation in full of the provisions of **Article 23** until a Sale or Listing.

17. VARIATION OF RIGHTS

17.1 The class rights attached to classes of Share may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of at least three-quarters in nominal value of the issued Shares of that class or with the sanction of a special resolution passed at a separate class meeting of the holders of that class.

17.2 For each such separate class meeting referred to in **Article 17.1**, all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply mutatis mutandis, 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 and holding or representing not less than one-third in nominal value of the issued Shares of the relevant class, that every holder of Shares of the class shall be entitled on a poll to one vote for every such Share held by him and that any holder of Shares of the class present in person or by proxy or (being a corporation) by a duly authorised representative may demand a

poll. 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.

- 17.3 None of the following events shall constitute a variation or abrogation of the class rights attaching to any class of Shares other than the class rights of the holders of A Ordinary Shares:
- (a) the allotment of any Shares which will rank *pari passu* in all respects with any existing class of Shares;
 - (b) an offer to the holders of any class of Shares of the right to receive new Shares of that class, credited as fully paid, instead of the whole or any part of a cash dividend specified by the Board; or
 - (c) any amendment to these Articles where authorised by special resolution of the Company.

18. ALLOTMENT OF SHARES

- 18.1 Save with Unanimous Shareholder Consent, the directors shall not allot any Shares unless and notice in writing is given to each holder specifying:
- (a) the number and classes of Shares which are proposed to be issued;
 - (b) the consideration payable on such issue; and
 - (c) any other material terms or conditions.
- 18.2 The notice specified in **Article 18.1** shall invite each holder to state, in writing within 10 Business Days from the date of such notice (which date shall be specified therein), whether he is willing to subscribe for any, and if so, how many Shares.
- 18.3 The Shares proposed to be issued pursuant to **Article 18.1** shall be issued to, a holder accepting the offer, in the same proportion (as nearly as may be) to the proportion which Shares held by such holder bear to the total number of Shares held by all such holders accepting such offer (**Proportionate Element**) provided that such holder shall not be allocated more Shares than he shall have stated himself willing to take. It shall be open to each such holder to specify if he is willing to subscribe for Shares in excess of his **Proportionate Element (Additional Shares)** and, if the holder does so specify, he shall state the number of **Additional Shares**.
- 18.4 Within three Business Days of the expiry of the invitation made pursuant to the notice given under **Article 18.1** (or sooner if all holders have responded to the invitation and all the Shares proposed to be issued have been accepted in the manner provided for in **Article 18.3**), the Board shall allocate the Shares in the following manner:
- (a) if the total number of Shares applied for is equal to or less than the available number of Shares to be issued the Company shall allocate the number applied for in accordance with the applications; or
 - (b) if the total number of Shares applied for is more than the available number of Shares to be issued, each holder shall be allocated his **Proportionate Element** (or such lesser number of Shares to be issued for which he may have applied) applications for

Additional Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Additional Shares in his Proportionate Element,

and in either case the Company shall forthwith give notice of each such allocation (Issue Notice) to each of the persons to whom Shares are to be issued (Member Subscriber) and shall specify in the Issue Notice the time (being not later than 10 Business Days after the date of the Issue Notice) at which the allotment of the Shares shall be made.

- 18.5 Upon such allocations being made as set out in Article 18.4, the Board shall be bound, on payment of the subscription price, to issue the Shares comprised in the Issue Notice to the Member Subscriber named therein at the time therein specified free from any lien, charge or encumbrance.
- 18.6 Notwithstanding any other provisions of this Article 18, no Shares shall be allotted to any party unless that party has first entered into a Joint Election, if required to do so by the Consenting Party, and a deed of adherence to any agreement between the shareholders in place from time to time (if any).
- 18.7 The provisions of Articles 18.2 to 18.4 shall have no application to any holder to whom the provisions of Articles 16.3(d) and 16.3(e) apply.
- 18.8 Notwithstanding anything herein to the contrary, the provisions in this Article 18 shall not apply to any issue of shares pursuant to a share option scheme relating to or which have been the subject of A Shareholder Consent.
- 18.9 If any Share is allotted to a holder holding Shares of a different class, such Shares shall as on and from the time of registration of the allotment of that Share in the register of members of the Company be immediately redesignated as a Share of the same class as those already held by that holder prior to such allotment.
- 18.10 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act shall not apply to the Company.
- 18.11 Model Article 21 shall not apply to the Company.

TRANSFER OF SHARES

19. GENERAL

- 19.1 No transfer of any Share shall be made or registered unless such transfer complies with the provisions of these Articles, and (if required under such agreement) any relevant consent has been obtained pursuant to any master franchise agreement which the Company or any member of its Group is a party to, and the transferee has first entered into a Joint Election if required to do so by the Board and a deed of adherence to any agreement between the shareholders in place from time to time. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of Shares on which the Company

has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.

19.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer of Shares:

- (a) any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of Shares that a Share be allotted, issued or transferred to some person other than himself; and
- (b) any sale or any other disposition of any legal or equitable interest in a Share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by a written instrument.

20. PERMITTED TRANSFERS

Notwithstanding the provisions of any other Article, the transfers set out in this Article 20 shall be permitted without restriction and the provisions of Articles 21 (Voluntary Transfers) and 22 (Change of Control) shall have no application in respect of any such transfer or transfers.

20.1 Permitted Transfers by all Shareholders

- (a) Any holder may at any time transfer any Shares, in accordance with the provisions of the Statutes, to the Company.
- (b) Any holder may at any time transfer all or any of his Shares to any other person with Unanimous Shareholder Consent.
- (c) An original Shareholder may transfer up to 25% of his Shares to any of his Permitted Transferees without restriction as to the price or otherwise.

20.2 Where Shares are held by the trustees of a Family Trust, the trustees may transfer Shares to:

- (a) the original Shareholder;
- (b) another Privileged Relation of the original Shareholder;
- (c) another Family Trust of which the original Shareholder is the Settlor; or
- (d) to the new (or remaining) trustees upon a change of trustees of a Family Trust.

without any price or other restriction.

20.3 A transfer of Shares may only be made to a Family Trust if by A Shareholder Consent, the Company is satisfied:

- (a) with the terms of the trust instrument and, in particular, with the powers of the trustees;
- (b) with the identity of the proposed trustees;
- (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts; and
- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company.

- 20.4 If a Permitted Transfer is made to the spouse of a shareholder (the **Original Shareholder**), the Permitted Transferee shall within 5 Business Days of ceasing to be the spouse of the Original Shareholder (whether by reason of divorce or otherwise) either:
- (a) execute and deliver to the Company a transfer of the Shares held by him/her to the Original Shareholder (or, to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them; or
 - (b) give a Transfer Notice to the Company in accordance with **Article 21**,
- failing which a Deemed Transfer Notice shall be given in respect of the relevant Shares in accordance with **Article 23** as if that person were a Bad Leaver.
- 20.5 Where, under a deceased Shareholder's will (or the laws as to intestacy), the persons legally or beneficially entitled to any Shares (whether immediately or contingently) are Privileged Relations of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Shares to those Privileged Relations who are Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this **Article 20.5** may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without any price or other restriction.
- 20.6 Subject to **Article 20.4** on the death, bankruptcy or liquidation of a Permitted Transferee (other than a joint holder), his personal representatives, trustee in bankruptcy or its liquidator shall execute and deliver to the Company a transfer of the Shares held by the Permitted Transferee (without any price or other restriction) within 5 Business Days after the date of the grant of probate, the making of the bankruptcy order or the passing of a resolution or making of an order for winding up. The transfer shall be to the Original Shareholder, if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder, to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within 5 Business Days of that period, or if the Original Shareholder has died or is bankrupt or is in liquidation, the personal representative or trustee in bankruptcy or liquidator shall be deemed to have given a Transfer Notice.
- 20.7 Notwithstanding any other provision of this **Article 20**, a transfer of any Shares approved by Unanimous Shareholder Consent may be made without any price or other restriction and any such transfer shall be registered by the Directors.
- 20.8 Any Shares may be transferred pursuant to **Article 22.1** (**Tag along**) and/or **Articles 22.5** and **22.7** (**Drag along**).

21. VOLUNTARY TRANSFERS

- 21.1 Except as permitted under **Article 20**, any Seller who wishes to transfer Shares shall give notice in writing (**Transfer Notice**) to the Company of his wish specifying:
- (a) the number and classes of Shares (**Sale Shares**) which he wishes to transfer;
 - (b) the name of any third party to whom he proposes to sell or transfer the Sale Shares;
- and

- (c) the price at which he wishes to transfer the Sale Shares (**Transfer Price**).
- 21.2 The Seller may state in the Transfer Notice that he is only willing to transfer all the Sale Shares in which case no Sale Shares can be sold unless offers are received for all of them.
- 21.3 No Transfer Notice once given in accordance with these Articles shall be withdrawn unless the Seller is obliged to procure the making of an offer under Articles 22.1 to 22.4 and is unable to procure the making of such an offer or the Consenting Party approves such withdrawal. In that event the Seller shall be entitled to withdraw such Transfer Notice without liability to any person, prior to completion of any transfer save that where the Consenting Party approves such withdrawal, the Seller shall bear all costs relating to such Transfer Notice.
- 21.4 The Transfer Notice shall constitute the Company the agent of the Seller for the sale of the Sale Shares upon the following terms:
- (a) the price for each Sale Share is the Transfer Price; and
 - (b) the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 21.5 Within five Business Days of the receipt by the Company of a Transfer Notice, the Sale Shares referred to therein shall be offered by the Company to the holders (other than the Seller) in accordance with the following order of priorities (**Offer Notice**):
- (a) in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and
 - (b) to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below; and
 - (c) to the extent not accepted by persons in column (3), to all persons in the category set out in the corresponding line in column (4) in the table below. to the extent not accepted by persons in column (4), to all persons in the category set out in the corresponding line in column (5) in the table below.

(1) Class of Sale Shares	(2) First Offer to	(3) Second Offer to	(4) Third Offer to	(5) Fourth Offer to
A Ordinary Shares	The Company (or, at the Company's direction, the Employee Trust)	A Ordinary Shareholders	Holders of Equity Shares (pari passu as if they constituted a single class of share)	Third Parties

B Ordinary Shares	The Company (or, at the Company's direction, the Employee Trust)	B Ordinary Shareholders	Holders of Equity Shares (pari passu as if they constituted a single class of share)	Third Parties
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- 21.6 Subject always to the order of priorities set out in **Article 21.5**, the Sale Shares shall :
- (a) in respect of any offer of Sale Shares to the Employee Trust, be treated as offered in such numbers and proportions as the Board (with A Shareholder Consent) shall direct; and
 - (b) in all other cases, be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to a holder accepting the offer in the same proportion (as nearly as may be) to the proportion which Shares held by such holder bear to the total number of Shares held by all such holders accepting such offer (**Proportionate Entitlement**).
- 21.7 Each holder may state in writing within 20 Business Days from the date of an Offer Notice (which date shall be specified therein) whether he is willing to purchase:
- (a) some or all of his Proportionate Entitlement; and
 - (b) the number of Sale Shares in excess of his Proportionate Entitlement (**Excess Sale Shares**) he is willing to purchase (if any).
- 21.8 Any acceptance of Sale Shares comprised in an Offer Notice by the Company is conditional upon the Company having satisfied or before the date of completion:
- (a) the requirements of the Statutes to purchase the Sale Shares in question; and
 - (b) any requirement for consent under **Article 17**.
- 21.9 If any Sale Shares accepted by the Company cannot be brought back at completion by the Company because it is unable to comply with **Articles 21.8(a)** and/or **21.8(b)**, then this **Article 21** shall take effect as if no acceptance was given by the Company.
- 21.10 Within three Business Days of the expiry of the Offer Notice period set out in **Article 21.7** (or sooner if all holders have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 21.7**), the Board shall allocate the Sale Shares in the order of priorities set out in **Article 21.5** and subject thereto in the following manner:
- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or

- (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares:

- (i) each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Article 21.5**; and
- (ii) applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Sale Shares provided that such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (**Allocation Notice**) to the Seller and each of the persons to whom Sale Shares have been allocated (**Member Applicant**) and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

- 21.11 Subject to **Article 21.12**, upon such allocations being made as set out in **Articles 21.5 to 21.10 (inclusive)**:

- (a) the Seller shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance;
- (b) if the Seller makes default in so doing, the Company, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the Seller with full power to give, execute, complete and deliver in the name and on behalf of the Seller:
 - (i) a transfer of the relevant Sale Shares to the Member Applicant; and
 - (ii) all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed;
- (c) the Company may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and
- (d) the Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.

- 21.12 If the provisions of **Article 21.2** apply and if the total number of Shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such

provision and shall contain a further invitation, open for 10 Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article 21 shall be conditional upon all Sale Shares being sold.

- 21.13 In the event of all the Sale Shares not being sold under the preceding paragraphs of this Article 21, the Seller may not sell or transfer any remaining Sale Shares otherwise than in accordance with the provisions of Articles 20, 21 or (if applicable) 23 which shall continue to apply.

22. CHANGE OF CONTROL

Tag along

- 22.1 Subject to Article 22.2, if the effect of any transfer of Shares by a Seller would, if completed, result in the transferee together with persons acting in concert or connected with that transferee obtaining a Controlling Interest, the Seller shall procure the making by such transferee of a Tag Along Offer to all of the other holders. Every holder or recipient of such offer, on receipt of a Tag Along Offer, shall be bound within 20 Business Days of the date of such offer (or within such longer period as the offer may specify) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Tag Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.

- 22.2 The provisions of Articles 22.1 and 22.5 shall not apply to any transfer of Shares:

- (a) pursuant to Article 20 (other than Article 20.8); and/or
- (b) to any person who was a Shareholder as at the date of adoption of these Articles.

- 22.3 **Tag Along Offer:** means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase (i) Shares held by the recipients of a Tag Along Offer and (ii) any Shares for which such recipients may subscribe, free from all liens, charges and encumbrances, in each case at a consideration calculated in accordance with Article 16.2, to be paid by any transferee referred to in Article 22.1 (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer) within the period of one year ending on the proposed date of completion of such transfer of Shares.

- 22.4 In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred to the Auditors and Articles 31.1 and 31.2 shall apply.

Drag along

- 22.5 The rights contained in Article 22.5 may be exercised by Shareholders holding more than 51 % of the Equity Shares.
- 22.6 If any of the persons entitled to exercise the rights contained in this article pursuant to Article 22.5 above (**Majority Sellers**) wish to transfer their Shares (**Majority Sellers' Shares**) to any person (**Buyer**), pursuant to the terms of a bona fide arms length transaction, then the Majority

Sellers shall also have the option (**Drag Along Option**), exercisable by the Majority Sellers giving written notice to that effect (**Drag Along Notice**), to require all other holders and any persons who would become holders upon the exercise of any options, warrants or other rights to subscribe for Shares which exist at the date the Drag Along Notice is given (**Called Shareholders**), to transfer with full title guarantee all their Shares (including any such Shares issued or to be issued pursuant to any options, warrants or rights to subscribe existing at the date the Drag Along Option is exercised) (together the "**Called Shares**") to the Buyer, or as the Buyer directs. The Drag Along Option must provide for terms such that the sale and purchase of the Called Shares and the Majority Sellers' Shares will be completed at the same time. A Drag Along Notice shall be given by the Majority Sellers to each Called Shareholder and shall specify:

- (a) that the Called Shareholders are, or will, in accordance with this **Article 22.5** and **Articles 22.7** and **22.8** and, be required to transfer with full title guarantee all their Called Shares free from all liens, charges and encumbrances;
- (b) the price at which the Called Shares are to be transferred (which shall be a consideration calculated in accordance with **Article 16.2**);
- (c) the documents required to be executed by the Called Shareholder, the time period within which those documents should be delivered to the Company; and
- (d) the proposed date of completion of the sale of the Called Shares the subject of the Drag Along Notice.

22.7 Upon any person, following the issue of a Drag Along Notice, becoming a holder of Called Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Called Shares (**New Member**), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon the New Member who shall thereupon be bound to sell and transfer all such Called Shares acquired by him to the Buyer or as the Buyer may direct and the provisions of **Article 22.5** to and including **22.10** shall apply mutatis mutandis to the New Member save that completion of the sale of such Called Shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member or, if later, upon the date of completion under the previous Drag Along Notice.

22.8 If the Called Shareholders (or any of them which shall include any New Member) shall make default in transferring their Called Shares within any time period specified in the Drag Along Notice (including any Called Shares issued pursuant to any options, warrants or rights to subscribe existing at the date of the Drag Along Notice once exercised) in accordance with the provisions of any Drag Along Notice and pursuant to **Articles 22.5, 22.5** and **22.7**, the provisions of **Article 21.11** (references therein to the Seller, Sale Shares, Allocation Notice and Member Applicant being read as references to the holder making such default, the Called Shares in respect of which such default is made, the Drag Along Notice and the Buyer respectively) shall apply to the transfer of such Called Shares mutatis mutandis but the Transfer Price shall be the price offered for such Called Shares as set out in **Article 22.5**.

22.9 A Drag Along Notice shall be served in accordance with **Article 32**.

- 22.10 A Drag Along Notice may be revoked at any time prior to the completion of the sale of the Called Shares of a Called Shareholder by the service of a written notice by the Majority Sellers on the Called Shareholder.

23. **COMPULSORY TRANSFERS**

- 23.1 In this Article 23, a “Transfer Event” means a holder of B Ordinary Shares who:
- (a) is an individual who become bankrupt;
 - (b) makes any arrangement or composition with his/her creditors generally;
 - (c) becomes a Leaver;
 - (d) attempts to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles; or
 - (e) is in material and persistent breach of either these Articles and/or any other agreement between the Shareholders in force from time to time.
- 23.2 Upon the happening of any Transfer Event, unless the Board (with Unanimous Shareholder Consent) determines otherwise, the holder in question and any other holder who has acquired Shares from him under a Permitted Transfer (directly or by means of a series of two or more Permitted Transfers) under Article 20 shall be deemed to have immediately given notice to the Company (**Deemed Transfer Notice**) in respect of all the Shares then held by him and, in case of a transferee of Shares under Article 20, were the Shares received directly or indirectly from the holder who is the immediate subject of the Transfer Event (**Sale Shares**). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have already been validly transferred pursuant to that Transfer Notice. The Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event.
- 23.3 A Deemed Transfer Notice shall be deemed to have been given on the date of the relevant Transfer Event.
- 23.4 For the purpose of Article 23.1, the date upon which a relevant holder becomes a Leaver shall be:
- (a) where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
 - (b) where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice;
 - (c) save as provided in Article 23.4(a), where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance;

- (d) where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event; and
 - (e) where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in Articles 23.4(a) to 23.4(d) (inclusive) above, the date on which the action or event giving rise to the termination occurs.
- 23.5 The price at which the Sale Shares shall be transferred pursuant to the Deemed Transfer Notice (**Compulsory Sale Price**) shall be:
 - (a) in the case of Article 23.1(a) or Article 23.1(b), their Market Value;
 - (b) in the case of a Leaver:
 - (i) in the case of a Good Leaver, 50% of their Market Value or, if higher, such value up to 100% of Market Value as the Board (with A Shareholder Consent) may determine; and
 - (ii) in the case of a Bad Leaver:
 - a. the lower of Market Value or nominal value; or
 - b. such higher amount as is approved by the Board with A Shareholder Consent.
 - (c) in the case of Articles 23.1(d) and/or 23.1(e), 50% of their Market Value or, if less, their nominal value.
- 23.6 No Deemed Transfer Notice once given in accordance with these Articles may be withdrawn unless the Board (with A Shareholder Consent) approves such withdrawal.
- 23.7 The Company shall be constituted as the agent of the Seller with effect from the date of the Deemed Transfer Notice for the sale of the Sale Shares upon the following terms:
 - (a) the price for each Sale Share is the Compulsory Sale Price; and
 - (b) the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 23.8 Within five Business Days of the date of the Deemed Transfer Notice, the Shares deemed to be comprised in such Deemed Transfer Notice shall be offered by the Company to the holders (other than the Seller) in accordance with the following order of priorities (**Offer Notice**):
 - (a) in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below; and
 - (b) to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below; and
 - (c) to the extent not accepted by persons in column (3), to all persons in the category set out below in the corresponding line in column (4) in the table below.

(1) Class of Sale Shares	(2) First Offer to	(3) Second Offer to	(4) Third Offer to
B Ordinary Shares	Employee Trust	The Company	Holders of A Ordinary Shares)

- 23.9 Subject always to the order of priorities set out in **Article 23.8**, the Sale Shares shall:
- (a) in respect of any offer of Sale Shares to the Employee Trust, be treated as offered in such numbers and proportions as the Board (with A Shareholder Consent) shall direct; and
 - (b) in all other cases, be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to a holder accepting the offer in the same proportion (as nearly as may be) to the proportion which Shares held by such holder bear to the total number of Shares held by all such holders accepting such offer (**Proportionate Entitlement**).
- 23.10 Each holder may state in writing within 20 Business Days from the date of an Offer Notice (which date shall be specified therein) whether he is willing to purchase:
- (a) some or all of his Proportionate Entitlement; and
 - (b) the number of Sale Shares in excess of his Proportionate Entitlement (**Excess Sale Shares**) he is willing to purchase (if any).
- 23.11 Any acceptance of Sale Shares comprised in an Offer Notice by the Company is conditional upon the Company having satisfied on or before the date of completion:
- (a) the requirements of the Statutes to purchase the Sale Shares in question; and
 - (b) any requirement for consent under **Article 17**.
- 23.12 If any Sale Shares accepted by the Company cannot be bought back at completion by the Company because it is unable to comply with **Articles 23.11(a)** and/or **23.11(b)**, then this **Article 23** shall take effect as if no acceptance was given by the Company.
- 23.13 Within three Business Days of the expiry of the Offer Notice period set out in **Article 23.10** (or sooner if all holders have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 23.10**), the Board shall allocate the Sale Shares in the order of priorities set out in **Article 23.8** and subject thereto in the following manner:
- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or
 - (b) if the total number of Sale Shares applied for is more than the available number of Sale Shares:

- (i) each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Articles 23.8**; and
- (ii) applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Sale Shares provided that such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (**Allocation Notice**) to the Seller and each of the persons to whom Sale Shares have been allocated (**Member Applicant**) and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.

23.14 Upon such allocations being made as set out in **Articles 23.8 to 23.13 (inclusive)**:

- (a) the Seller shall be bound, on payment of the Compulsory Sale Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance;
- (b) if the Seller makes default in so doing, the Company, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the Seller with full power to give, execute, complete and deliver in the name and on behalf of the Seller:
 - (i) a transfer of the relevant Sale Shares to the Member Applicant; and
 - (ii) all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed;
- (c) the Company may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and
- (d) the Company shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.

23.15 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **Article 23**, the Seller may not sell or transfer any remaining Sale Shares otherwise than in accordance with the provisions of **Articles 20 or 21**.

24. VALUATION OF SHARES

- 24.1 In the event that the Auditors are required to determine the price at which Shares are to be transferred pursuant to these Articles, the Company shall engage and instruct the Auditors (which instructions shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this Article 24 is required), to give their written opinion as to the price which represents a Market Value for such Shares as between a willing seller and a willing buyer as at the date the Transfer Notice is given or, in the case of a Deemed Transfer Notice, on the date of the relevant Transfer Event.
- 24.2 In making such determination, the Auditors shall not take any account of whether the relevant Shares comprise a majority or a minority interest in the Company nor the fact that transferability of such Shares is restricted by these Articles.
- 24.3 In the event that the Auditors decline to accept an instruction to provide a valuation pursuant to this Article 24, then the price will be determined by a firm of independent chartered accountants, such accountants to be instructed by the Company with A Shareholder Consent.
- 24.4 Articles 31.1 and 31.2 shall apply to any determination under this Article by the Auditors or such accountants appointed pursuant to Article 24.3 and references to Auditors in those Articles 31.1 and 31.2 shall include such accountants.

25. COMPLIANCE

- 25.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these Articles or (ii) that no circumstances have arisen whereby a Transfer Notice or a Deemed Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under Article 22.1, the Board may from time to time require any shareholder or past shareholder or the personal representatives, trustee in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name.
- 25.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Transfer Notice or Deemed Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under Article 22.1, or that as a result of such information and evidence the Board is reasonably satisfied that such Transfer Notice or Deemed Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under Article 22.1:
- (a) where the purpose of the enquiry by the Board was to establish whether a Transfer Notice or a Deemed Transfer Notice is required to be or ought to have been given,

then a Transfer Notice or a Deemed Transfer Notice shall be deemed to have been given by the holder of the relevant Shares in respect of such Shares; or

- (b) where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under Article 22.1, then the Shares held by or on behalf of the person or persons connected with each other or acting in concert with each other (who has or have (as the case may be) obtained a Controlling Interest as is referred to in Article 22.1), shall cease to entitle the holders thereof (or any proxy):
 - (i) to receive notice of any meeting; or
 - (ii) to any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares; or
 - (iii) to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holders; or
 - (iv) to the extent that such person or persons shall only be able to control the percentage of the voting rights, attaching to Shares, which they controlled prior to their obligation arising to procure the making of such offer.

26. TRANSMITTEES BOUND BY PRIOR NOTICES

Model Article 29 shall be amended by the insertion of the words “, or the name of any person nominated under Model Article 27(2)”, after the words “the transmittee’s name”.

GENERAL MEETINGS

27. NOTICE OF GENERAL MEETINGS

27.1 Every notice convening a general meeting shall:

- (a) comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and
- (b) be given in accordance with section 308 of the 2006 Act that is in hard copy form, electronic form or by means of a website.

27.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 90 per cent. by nominal value of the Shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

28. PROCEEDINGS AT GENERAL MEETINGS

28.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is

transacted and no resolution or transaction shall be effective unless a quorum is so present. Two persons, being holders (at least one of whom must be a holder of A Ordinary Shares) present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.

- 28.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with A Shareholder Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the shareholders present shall form a quorum. Model Article 41(1) to (5) inclusive shall not apply to the Company.

29. WRITTEN RESOLUTIONS

- 29.1 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 29.2 For the purposes of this Article 29 “circulation date” is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days.

ADMINISTRATIVE ARRANGEMENTS

30. BORROWING POWERS

Subject to the terms of any agreement between the shareholders to the contrary, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the 2006 Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

31. AUDITORS

Auditors’ determination

- 31.1 If any matter under these Articles is referred to the Auditors for determination then the Auditors shall act as experts and not as arbitrators or arbiters and their decision shall be final and binding on the Company and all the holders (in the absence of fraud or manifest error).
- 31.2 The Auditors’ costs in making any such determination referred to in Article 31.1 shall be borne by the Company unless the Auditors shall otherwise determine.
- 31.3 The Auditors where required by these Articles shall determine the valuation of Shares in accordance with Article 24.

32. COMPANY COMMUNICATION PROVISIONS

32.1 Where:

- (a) a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and
- (b) the Company is able to show that it was properly addressed, prepaid and posted, it is deemed to have been received by the intended recipient 2 Business Days after it was posted.

32.2 Where:

- (a) a document or information is sent or supplied by electronic means; and
- (b) the Company is able to show that it was properly addressed, it is deemed to have been received by the intended recipient immediately after it was sent.

32.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient:

- (a) when the material was first made available on the website; or
- (b) if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

32.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by Articles 32.1, 32.2 and 32.3.

33. INDEMNITIES FOR DIRECTORS

33.1 Subject to, and so far as may be permitted by, the 2006 Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or of any associated company.

33.2 Subject to the 2006 Act, the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director, Auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, Auditor, secretary or other officer of the Company or of any associated company.

- 33.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:
- (a) in defending any criminal or civil proceedings; or
 - (b) in connection with any application under sections 661(3) or 661(4) or under section 1157 of the 2006 Act.
- 33.4 Model **Articles 52** and **53** shall not apply to the Company.