

COMPANIES ACT 2006

AHO HOLDINGS LIMITED (the "Company")

Registered in Scotland No. SC652918

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**CERTIFIED COPY OF A WRITTEN RESOLUTION OF THE MEMBER OF THE COMPANY PASSED  
PURSUANT TO CHAPTER 2 OF PART 13 OF THE COMPANIES ACT 2006**

PASSED ON ..... 31.1.2020 ..... 2020

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Notice is hereby given that Resolution 1 below was passed as a special resolution by way of written resolution pursuant to Chapter 2 of Part 13 of the Companies Act 2006.

**1. Adoption of new Articles of Association**

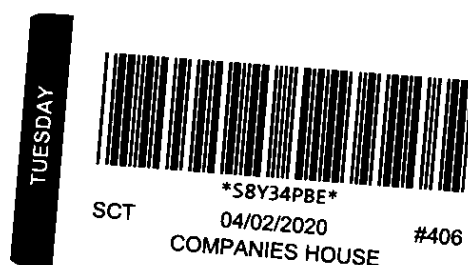
IT IS RESOLVED as a special resolution that the regulations contained in the document attached to this resolution and signed for identification purposes by a director be adopted as the articles of association of the Company in substitution for and to the entire exclusion of the existing articles of association.

Turcan Connell is instructed to file a Certified Copy Resolution at Companies House together with a print of the new Articles of Association and the relevant Companies House forms.



Director  
AHO HOLDINGS LIMITED

Date: 31.1.2020

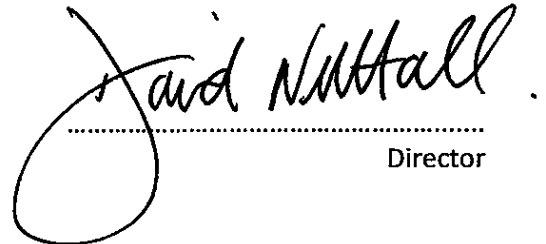


# TURCAN CONNELL

THE COMPANIES ACT 2006  
COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION  
of  
AHO HOLDINGS LIMITED

(Company Number: SC652918)

This print contains the articles of association  
of the Company adopted pursuant to a special  
resolution dated 31 January  
2020

  
Director

CERTIFIED TRUE COPY

31-1-20

TURCAN CONNELL  
PRINCES EXCHANGE  
1 EARL GREY STREET  
EDINBURGH EH3 9EE

SIGNATURE N. Pears

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES of ASSOCIATION**

(Adopted pursuant to a special resolution dated 31 January 2020)

of

**AHO HOLDINGS LIMITED**

**(Company Number: SC652918)**

**1. Preliminary and Interpretation**

1.1 The regulations contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 ("Model Articles") shall apply to the Company save insofar as they are excluded or varied hereby.

1.2 In these regulations:

**"Act"** means the Companies Act 2006 including any statutory modification or re-enactment thereof for the time being in force;

**"Articles"** mean the articles of association for the time being of the Company;

**"the Auditors"** means the auditors from time to time of the Company, but failing the appointment of auditors, the Company's certifying accountants;

**"Available Profits"** means the profits of the Company available for distribution within the meaning of Part 23 of the Act;

**"clear days"** in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect;

**"executed"** includes any competent mode of execution;

**"Group"** means the Company and any subsidiary or holding company from time to time of the Company, and any other subsidiary from time to time of the Company's holding company (and the expression **"Group Company"** shall be construed accordingly;

**"holder"** in relation to shares means the Shareholder whose name is entered in the Register of Members as the holder of the shares;

**"Incapable"** shall have the meaning ascribed to it in section 1(6) of the Adults with Incapacity (Scotland) Act 2000 and any consequent statutory modification, consolidation or re-enactment;

**"Loans"** means, in relation to a Shareholder, any loans to the Company made by that Shareholder;

**"office"** means the registered office for the time being of the Company;

**"Ordinary Shares"** means the ordinary shares of £1.00 each in the capital of the Company;

**"Relevant Agreement"** means any agreement concerning the management of the Company, including, without limitation any shareholders' agreement, service contract, loan agreement or consultancy agreement relating to the Company;

**"Relevant Proportions"** means the proportions in which the Shareholders own the shares from time to time;

**"secretary"** means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

**"shares"** (unless the context does not so admit) means the Ordinary Shares;

**"Shareholders"** means the holders of shares in the capital of the Company (of whatever class) from time to time; and

**"United Kingdom"** means Great Britain and Northern Ireland;

**"writing"** means writing by whatever means, including, without limitation, by electronic form, such that the recipient is able to read the writing in full, the writing is printable and contains no less information than if the writing were in hard copy.

Unless the context otherwise requires, words or expressions contained in these regulations and in the regulations of the Model Articles that apply to the Company bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these regulations become binding on the Company, words importing the singular only shall include the plural and vice versa, words importing the masculine gender shall include the feminine gender and words importing natural persons shall include also corporations.

The headings in these regulations are for convenience only and shall be ignored in construing the language or meaning of the Articles. Regulation 1 of the Model Articles shall not apply.

## **2. Liability of Shareholders**

The liability of the Shareholders is limited to the amount, if any, unpaid on the shares held by them.

## **3. Share Capital**

The issued share capital of the Company as at the date of the adoption of these articles is divided into Ordinary Shares of £1.00 each.

## **4. Issue of Shares**

- 4.1 Subject to the provisions of the Act, and without prejudice to Article 4.2, any shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder of such shares on such terms, conditions and in such manner as may be provided by

the Articles or as the Company may determine by special resolution. Regulation 22(2) of the Model Articles shall not apply.

- 4.2 Before any new shares are issued they shall first be offered to the Shareholders on the same terms, and at the same price, as those shares are being offered to other persons in the Relevant Proportions, as nearly as may be. Such offer shall be made by notice in writing specifying the number and class of shares offered and limiting the time (not being less than 21 days) within which the offer may be accepted. Acceptances shall be given to the Company by notice in writing and in such acceptance any Shareholder may state if he wishes to purchase any shares in addition to the proportion offered to him. After the expiry of such offer or after the Company shall have received notice of the acceptance or refusal of such offer from every Shareholder (whichever shall be the earlier event), the directors shall allot the shares offered to the Shareholders accepting the offer in accordance with such acceptances, provided that, in the event of competition for any shares which may not have been accepted by any Shareholder, the directors shall allot the same to the Shareholders applying for additional shares as nearly as may be (but without increasing the number allotted to any Shareholder beyond the number of additional shares he may have indicated that he is willing to purchase) in proportion to such Shareholder's existing holding of shares.
- 4.3 Any shares not taken up at the end of the procedure set out in Article 4.2 may be allotted and issued to such person, whether or not that person is a Shareholder of the Company, at such price and generally on such terms as all of the holders of the Ordinary Shares may agree in writing.
- 4.4 Section 561(1) and sub-sections (1) to (5) of Section 562 of the Act shall not apply to the Company.

## **5. Share Rights**

- 5.1 The shares shall have attached to them full voting, dividend and capital distribution (including on winding up) rights.
- 5.2 No Ordinary Share shall be redeemable.
- 5.3 The rights attached to any class may, whether or not the Company is being wound up, be varied with the consent in writing of the holders of 75% of the issued shares of that class, or with the sanction of any extraordinary resolution passed at a separate general meeting of the holders of the shares of the class.

## **6. Dividend Policy and Distributions**

- 6.1 Provided that they comply with any restrictions applying to the payment of dividends under these Articles, the Act and any Relevant Agreement:
- 6.1.1 the directors may declare and pay such dividends (including without limitation, interim dividends) as they see fit; and
- 6.1.2 the Shareholders may by ordinary resolution declare dividends, provided that no dividend shall be so-declared unless the directors have made a recommendation as to its amount, and that no such dividend shall exceed the amount recommended by the directors.

- 6.2 Regulations 30(1) and 30(2) of the Model Articles shall not apply to the Company.
- 6.3 Subject to the terms of issue of the share in question, the company may, by special resolution of the shareholders on the recommendation of the directors, decide to pay all or part of a distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- 6.4 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:
- a) fixing the value of any assets;
  - b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - c) vesting any assets in trustees.

## **7. Consolidation and/or Sub-Division**

Subject to any provision of the Act, the Company shall have the power to increase or consolidate its share capital, to subdivide or cancel shares and to reduce its share capital and any share premium account.

## **8. Purchase of own shares**

Subject to the Act, but without prejudice to any other provisions of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of (a) £15,000 and (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

## **9. Lien**

The Company shall have a first and paramount lien on every share (not being a fully paid share) for all moneys (whether presently payable or not) called or payable at a fixed time in respect of that share, and the Company shall also have a first and paramount lien on all shares (whether fully paid or not) standing registered in the name of any person for all moneys presently payable by him or his estate to the Company, whether he shall be the sole registered holder thereof or shall be one of two or more joint holders; but the directors may at any time declare any share to be wholly or in part exempt from the provisions of this Article. The Company's lien, if any, on a share shall extend to all dividends payable thereon.

## **10. Share Transfers**

- 10.1 Except as hereinafter provided, no share (of whatever class) or any interest therein shall be transferred or otherwise disposed of unless and until the rights of pre-emption hereinafter conferred shall have been exhausted.
- 10.2 If at any time a Shareholder or any other person entitled to be registered in respect of any shares shall desire to transfer or otherwise dispose of the shares registered in his name or any interest therein (a "**Proposed Transferor**") he shall give notice to that effect (a "**Transfer Notice**") to the Directors specifying the number of shares that he desires to sell or transfer. Except as hereinafter provided a Transfer Notice once given or deemed to be given shall not be

revocable without the written consent of each of the Shareholders. A Transfer Notice shall constitute the Directors the agent of the Proposed Transferor to sell the shares specified in the Transfer Notice (hereinafter referred to as the **"Offered Shares"**) on the following conditions:

- 10.2.1 The Shareholders shall have the right, by ordinary resolution (**"Buy Back Resolution"**), (provided that (i) the Company is able to do so in compliance with the Act; and (ii) the Company agrees to do so) to elect to have the Company purchase all of the Offered Shares at the Transfer Price. If a Buy Back Resolution is passed, then provided that the other conditions set out in this Article 10.2.1 are satisfied, the directors shall as soon as reasonably practicable, give notice in writing to the Proposed Transferor that the Company is to purchase the Offered Shares (**"Buy Back Notice"**), such Buy Back Notice to specify the place and time for completion of the sale and transfer of the Offered Shares, and the Proposed Transferor shall thereupon be bound to transfer the Offered Shares to the Company upon payment of the Transfer Price in respect of such Offered Shares. The sale and purchase shall be completed at such place and such date and time as shall be specified in the Buy Back Notice, being not less than 7 days nor more than 28 days after the date of the Buy-Back Notice. If a Buy-Back Notice is given, any offer already made to Other Shareholders (after-defined) under the remaining provisions of this Article 10 shall be deemed revoked and of no further effect. Article 10.2.8 shall apply to the completion of the transfer of the Offered Shares to the extent applicable.
- 10.2.2 Upon the fair value being agreed or determined as provided in Article 10.3, the directors shall forthwith by notice in writing notify the Proposed Transferor of such fair value. Within seven days of such notification the Proposed Transferor shall (save in the case of a Deemed Transfer Notice) be entitled to serve notice on the directors withdrawing the Transfer Notice. If no such notice of withdrawal has been given and no Buy Back Notice has been given, the directors shall forthwith upon the expiry of such seven day period inform each of the Shareholders, other than the Proposed Transferor and any other Shareholder who has given (or is deemed to have given) a Transfer Notice which is for the time being outstanding, (the **"Other Shareholders"**) of the Transfer Price of the Offered Shares and invite each of them to apply in writing to the directors within 6 months of the date of despatch of such notice (which shall be specified therein) (**"First Offer Period"**) to purchase such maximum number of the Offered Shares (being all or any thereof) as he shall specify in such application.
- 10.2.3 If, at the end of the First Offer Period, the total number of Offered Shares applied for is less than the total number of Offered Shares, the directors shall give notice to each of the Other Shareholders inviting them to apply in writing to the directors within 30 days of the date of despatch of such notice (which date shall be specified therein) (**"Second Offer Period"**) to purchase such maximum number of the balance of such Offered Shares (being all or any thereof) as he shall specify in such application.
- 10.2.4 The directors shall within seven days after the expiry of: (i) the First Offer Period (if there is no Second Offer Period); or (ii) the Second Offer Period (if there is a Second Offer Period), notify the Proposed Transferor of the number of Offered Shares for which applications from Other Shareholders have been received. If applications have been received for some (but not all) of the Offered Shares, the Proposed Transferor shall (save in the case of a Deemed Transfer Notice) be entitled to withdraw the Transfer Notice (in whole but not in part) within seven days of such notification.
- 10.2.5 If at the end of any Second Offer Period, applications have been received for some but not all of the Offered Shares and (if applicable) the seven day period referred to in

Article 10.2.4 has expired without the Transfer Notice being withdrawn, the directors shall allocate the relevant number of Offered Shares to and amongst the Other Shareholders who have applied for Offered Shares (the “**Applicants**”) in accordance with their respective applications and the balance of the Offered Shares shall be dealt with in accordance with Article 10.2.7.

- 10.2.6 If, at the end of either the First Offer Period or (if applicable) the Second Offer Period, the total number of Offered Shares applied for is equal to or exceeds the total number of Offered Shares, the directors shall allocate the Offered Shares (or so many of them as shall have been applied for as aforesaid) to and amongst the Applicants in the Relevant Proportions (and on the basis that at no time will the aggregate number of Offered Shares allocated to any Applicant exceed the aggregate maximum number of Offered Shares specified in his applications).
- 10.2.7 As soon as reasonably practicable, the directors shall give notice in writing of the allocation of Offered Shares (an “**Allocation Notice**”) to the Proposed Transferor and to the Other Shareholders, and the Proposed Transferor shall thereupon be bound to transfer the relevant number of Offered Shares to each Applicant to whom Offered Shares have been allocated (each a “**Purchasing Shareholder**”) upon payment of the Transfer Price in respect of the relevant Offered Shares. An Allocation Notice shall state the name and address of each Purchasing Shareholder and the sale and purchase to each Purchasing Shareholder shall be completed at such place and such date and time as shall be specified by the directors in such Allocation Notice, being not less than 7 days nor more than 21 days after the date of such Allocation Notice.
- 10.2.8 If in any case the Proposed Transferor on having become bound as aforesaid makes default in accepting payment of the Transfer Price for the Offered Shares (or any of them) or as the case may be in transferring any Offered Shares, the directors may receive the relevant purchase money on his behalf and/ or may nominate one of their number to execute and deliver an instrument of transfer of such Offered Shares (and, if the directors deem appropriate, a suitable indemnity in respect of any relevant share certificate(s) in respect of the Offered Shares (or any of them) which has not been delivered to them by the Proposed Transferor) as agent for and on behalf of the Proposed Transferor and thereafter when such instrument has been duly stamped the directors shall cause the name of the purchaser to be entered in the Register of Members as the holder of such shares (unless the purchaser is the Company in which case the shares may instead be cancelled forthwith) and where applicable shall hold the relevant purchase money in trust without interest for the Proposed Transferor. The receipt of the directors for the full amount of the relevant purchase money shall be a good discharge to the purchaser (who shall not be bound to see to the application thereof) and after his name has been entered in the Register of Members (or where the purchaser is the Company, after the shares have been cancelled) in exercise (or purported exercise) of the aforesaid powers the validity of the proceedings shall not be capable of challenge by any person (save in the case of fraud or manifest error).
- 10.2.9 If Purchasing Shareholders have not been found for all of the Offered Shares after going through the applicable procedures referred to in the foregoing provisions of this Article 10.2 (and no Buy Back Notice has been given and the Transfer Notice has not been withdrawn in accordance with Article 10.2.4), then the Company shall be entitled to find a purchaser (who must be approved by the directors) for the balance of such Offered Shares and give notice thereof to the Proposed Transferor within 30 days after the expiry of the Second Offer Period. On receipt of such notice the Proposed Transferor



shall be bound to transfer the said balance of the Offered Shares to such purchaser upon payment of the Transfer Price in respect thereof. Any such notice given by the Company under this Article 10.2.9 shall state the name and address of such purchaser and the sale and purchase to him shall be completed at such place and such date and time as shall be specified by the directors in such notice, being not less than 7 days nor more than 21 days after the date of such notice. If the Company has not given notice of a purchaser to the Proposed Transferor in accordance with this Article 10.2.9 within the 30 day period referred to, the Proposed Transferor shall (save in the case of a Deemed Transfer Notice) be entitled to transfer such balance of the Offered Shares to any person approved by the directors (such approval not to be unreasonably withheld or unreasonably delayed), for a price per share no lower than the Transfer Price.

### 10.3 Fair Value

10.3.1 The fair value of any shares to be transferred pursuant to the provisions of Article 10.2 hereof shall be such amount as may be agreed between the Proposed Transferor and the directors within 7 days of the service of the Transfer Notice in which such shares are comprised or, in the absence of such agreement, such amount as an expert appointed in the manner described below (the "Expert") shall certify in writing to be in his opinion the fair value thereof, calculated on the following bases and assumptions:

10.3.1.1. if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

10.3.1.2. valuing the entire issued share capital of the Company on the basis of an arm's length sale between a willing vendor and a willing purchaser of the entire issued share capital as at the date the Transfer Notice was served (or deemed served);

10.3.1.3. valuing the shares in question as a rateable proportion of the total value of the entire issued share 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, and on the basis that each of the shares has an equal value; and

10.3.1.4. that the Sale Shares are capable of being transferred without restriction.

10.3.2 The Expert shall be appointed by agreement between the Proposed Transferor and the directors within 7 days following the expiry of the period of 7 days referred to above, or failing such agreement, shall be appointed on the application of the Proposed Transferor or the directors by the President for the time being of the Institute of Chartered Accountants in Scotland. The Expert shall be deemed to be acting as an expert and not as an arbiter and all statutory references to arbitration shall not apply. The Expert's certificate shall be final and binding save in the case of fraud or manifest error. The directors shall procure that any certificate required hereunder is obtained with due expedition.

10.3.3 If any difficulty arises in applying any of the bases or assumptions set out in Article 10.4.1, then the Expert shall resolve that difficulty in whatever manner it shall in its discretion think fit.

- 10.3.4 The directors will give the Expert access to all accounting records or other relevant documents of the Company and any other relevant Group Company, subject to the Expert agreeing such confidentiality provisions as the directors or the Company may reasonably impose.
- 10.3.5 The Expert shall be requested to determine the fair value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Proposed Transferor.
- 10.3.6 The cost of obtaining the Expert's certificate shall be borne by the Company and the Proposed Transferor equally or in such other proportions as the Expert directs, save that in the case of a Deemed Transfer Notice, where the fair value determined by the Expert is less than the price per share offered to the Proposed Transferor by the directors before the appointment of the Expert, the Proposed Transferor shall bear the cost.
- 10.4 A Shareholder may waive his right to receive a notice from the Company under Article 10.2 hereof in respect of a proposed transfer and upon so doing shall cease to have any right of pre-emption in respect of the shares concerned under this Article 10 and if all the entitled Shareholders waive their rights to such notice, the provisions of Article 10.1 hereof shall not apply and the Directors of the Company shall (subject to the provisions of these Articles) be bound to register a transfer of the shares concerned.

## **11. Deemed Transfers**

- 11.1 A Transfer Notice shall be deemed to have been served pursuant to Article 10.2 hereof in respect of a Shareholder's entire holding of shares immediately on the occurrence of any of the following events (save that such a Transfer Notice shall be irrevocable without the prior written consent of all Shareholders):
- (a) the death of a Shareholder; or
  - (b) a Shareholder becoming Incapable; or
  - (c) a Shareholder becoming apparently insolvent, reaching an agreement with his creditors in respect of his debts or having a trustee in bankruptcy appointed to his estate (or any analogous event occurring in connection with a Shareholder).
- 11.2 Where a Transfer Notice has been deemed to have been served, then the price for each share to be transferred shall be the fair value as determined pursuant to Article 10.3.
- 11.3 In the event of a Shareholder failing to deliver a stock transfer form in connection with a deemed transfer that Shareholder shall be deemed to have appointed the directors (other than themselves as the case may be) as their attorney to execute a stock transfer form on their behalf and to deliver it to the Company.
- 11.4 Model Article 27 shall not apply.

## **12. Compulsory Sale ('Drag Along' and 'Tag Along' Provisions)**

- 12.1 If one or more Shareholders who together hold more than 66% of the shares in the capital of the Company (the "Selling Shareholders") wish to transfer all of their interest in all (and not only some of) their shares ("Sellers' Shares") to a bona fide purchaser on arm's-length terms

("Proposed Buyer"), the Selling Shareholders shall have the option ("Drag Along Option") to require all the other Shareholders on the date of the request ("Called Shareholders") to sell and transfer all their interest in shares, free from Encumbrances, to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this Article 12.

12.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a "Drag Along Notice"), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:

12.2.1 that the Called Shareholders are required to transfer all their shares ("Called Shares") pursuant to this Article 12;

12.2.2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);

12.2.3 the consideration payable for the Called Shares calculated in accordance with Article 12.5; and

12.2.4 the proposed date of completion of transfer of the Called Shares.

12.3 Neither the sale of the Sellers' Shares by the Selling Shareholders to the Proposed Buyer, nor the sale of the Called Shares by the Called Shareholders to the Proposed Buyer shall be subject to the rights of pre-emption set out in Article 10.

12.4 Once given, a Drag Along Notice may not be revoked, save with the prior consent of the directors, acting with Shareholder Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 60 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

12.5 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be a consideration having a value at least equal to that which the Selling Shareholders are to receive for each of the Sellers' Shares.

12.6 Completion of the sale and purchase of the Called Shares shall take place on the Completion Date, and shall be conditional upon the completion on or before that date, of the sale and purchase of the Sellers' Shares. Completion Date means the date proposed for completion of the sale of the Sellers' Shares unless:

12.6.1 the Selling Shareholders and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or

12.6.2 that date is less than 10 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 on the date falling 10 Business Days after the date of service of the Drag Along Notice.

12.7 On or before the Completion Date, each of the Called Shareholders shall duly execute and deliver stock transfer forms for his Called Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the relevant share certificate(s) in respect of those Called Shares (or a suitable indemnity in lieu thereof) to the Company. On the Completion Date, the Company shall pay (or otherwise deliver to) the Called Shareholders, on behalf of the

Proposed Buyer, the consideration they are respectively due pursuant to Article 12.5 to the extent that the Proposed Buyer has put the Company in the requisite funds (or otherwise put the Company in possession or control of the requisite consideration as the case may be). The Company's receipt for the relevant consideration shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts (or other consideration) due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.

- 12.8 To the extent that the Proposed Buyer has not, on or before the Completion Date, put the Company in funds (or otherwise or otherwise put the Company in possession or control of the requisite consideration) to pay (or otherwise deliver) the consideration due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or indemnity for lost share certificate if applicable) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 12 in respect of their Called Shares in relation to the Drag Along Notice in question.
- 12.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in lieu thereof)) the defaulting Called Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders (or any other person nominated for the purpose by the Company) to be his agent, to execute and deliver all necessary stock transfer forms (and/ or indemnities in respect of any lost, missing or otherwise undelivered share certificates) on his behalf, against receipt by the Company (on trust for such Called Shareholder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of shares under this Article 12.9.
- 12.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, shares, whether or not pursuant to a Share Option Plan (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, and such New Shareholder shall then be bound to sell and transfer all such shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 12 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares.
- 12.11 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.
- 12.12 No person executing and/ or delivering any stock transfer forms and/ or indemnities in respect of lost, missing or otherwise undelivered share certificates, as agent of a Called Shareholder pursuant to (or by virtue of the powers conferred by or under) Article 12.9 shall (save in the case of fraud by such agent) have any liability to the Called Shareholder in question (or any other person) in respect of any claims, losses, liabilities, damages, costs and expenses incurred by the Called Shareholder (or other person) arising out of such action being taken and the relevant Called Shareholder shall (save in the case of fraud by the agent) on demand ratify and confirm in writing the actions taken by the agent.

### **13. Refusal of transfers**

- 13.1 The directors shall refuse to register any proposed transfer of a share other than a transfer made pursuant to or permitted by the provisions of these articles and save as provided in Articles 13.2, 13.3 and 13.4 the directors shall register any transfer so made or permitted.
- 13.2 The directors shall refuse to register the transfer of a share on which the Company has a lien.
- 13.3 The directors shall refuse to register a transfer unless:
- a) it has been presented to HMRC for stamping (unless it is exempt for stamp duty and the appropriate declarations have been made); and
  - b) it is lodged with the secretary of the Company and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer.
- 13.4 No share shall be transferred to any insolvent, sequestrated, bankrupt or Incapable person.
- 13.5 Regulation 26 (5) of the Model Articles shall not apply.

### **14. Notice of General Meetings**

- 14.1 Unless resolved by special resolution of the Shareholders, the Company shall not be required to *hold an annual general meeting*.
- 14.2 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted *only in the case of special business*. All business is deemed special that is transacted at an extraordinary general meeting, and also all that is transacted at any annual general meeting, with the exception of declaring a dividend, the consideration of the accounts, balance sheets and the reports of the directors and Auditors, and the appointment of and the fixing of the remuneration of the Auditors.
- 14.3 A notice convening a general meeting shall give information to Shareholders in regard to their right to appoint proxies.
- 14.4 Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all the Shareholders and to the directors and Auditors of the Company. The accidental omission to give any Shareholder or director/the directors notice shall not invalidate an otherwise competently held and called meeting.

### **15. Proceedings at General Meetings and Voting**

- 15.1 No business shall be transacted at any general meeting unless the requisite quorum is present. Two Shareholders (one of whom must be David Nuttall for as long as he holds shares), present in person or by proxy, shall be a quorum for all purposes unless there is only one Shareholder of the Company, in which case a decision taken by that Shareholder in general meeting, is effective as if agreed by the Company in general meeting and such sole Shareholder shall constitute a quorum at meetings of the Shareholders. A decision taken by a sole Shareholder shall be recorded in writing and a copy shall be provided to the Company. Regulation 38 of the Model Articles is modified accordingly.

15.2 If, within thirty minutes (or such longer time not exceeding one hour as the chairman of the meeting decides) from the time appointed for the meeting, a quorum is not present the meeting shall be adjourned to the same day in the next week, at the same time and place, or to such other time and place as shall be agreed by a majority of those present at the meeting, subject to the time and place of the adjourned meeting:

- a) not being more than 1 week after the date of the adjourned meeting;
- b) being on a day falling Monday to Friday and commencing not later than 8pm; and
- c) being fairly set having regard to the known availability of the Shareholders.

At the adjourned meeting, the quorum shall be any two Shareholders entitled to vote upon the business to be transacted present in person or by proxy.

15.3 Regulation 41 of the Model Articles shall not apply.

15.4 A corporate Shareholder may, by resolution of its directors, or other governing body, authorise such one person as it thinks fit to act as its representative at general meetings of the Company or meetings of any class of Shareholders. The authorised person may exercise the same powers on behalf of the grantor of the authority as the grantor could exercise if it were an individual Shareholder.

15.5 An instrument appointing a proxy shall be in writing, executed by or on behalf of the appointor, and shall be in any usual form or in a form approved by the directors. The appointment shall be valid for an adjournment of the meeting and the instrument shall be deemed to confer authority to vote on amendments to resolutions put to the meeting for which the authority is given or at an adjournment, unless in each case the instrument or proxy states otherwise. Where it is desired to afford Shareholders an opportunity to instruct the proxy how he shall act, the instrument appointing a proxy shall be in any form which enables the Shareholders to direct how their votes are to be exercised on each of the resolutions comprised in the business of the meeting for which it is to be used.

15.6 Regulation 45 of the Model Articles shall not apply.

## **16. Number of directors**

The maximum and minimum number respectively of the directors may be determined from time to time by an ordinary resolution of the Shareholders of the Company. Subject to and in default of such determination there shall be no maximum number of directors and the minimum number of directors shall be one. Whensoever the number of the directors shall be one, a sole director shall have authority to exercise all the powers and discretions expressed by the Model Articles and these Articles to be vested in the directors generally.

## **17. Alternate directors**

17.1 Subject to the terms of any Relevant Agreement, any director (other than an alternate director) may appoint any other director, or any other person approved by the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him. Save as otherwise provided in the Articles, unless he is already an officer of the Company in his own right, an alternate director shall not, as such, have any rights other than those mentioned in Article 17.2 below. Any appointment or removal of an alternate director

shall be by notice to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors.

- 17.2 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointer is a Shareholder, and to attend, speak and vote at any such meeting at which the director appointing him is not personally present. A director present at such meeting and appointed alternate director for any other directors entitled to attend and vote at such meeting shall have an additional vote for each of his appointors absent from the meeting but shall count only once for the purpose of determining whether a quorum is present.
- 17.3 An alternate director shall not be entitled as such to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct for his services as an alternate director.
- 17.4 An alternate director shall cease to be an alternate director if his appointor ceases to be a director.
- 17.5 Without prejudice to Article 17.2 and save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him.

## **18. Appointment and retirement of directors**

- 18.1 The directors of the Company shall not retire by rotation.
- 18.2 Any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director:
- a) by ordinary resolution; or
  - b) by a resolution of a majority of the directors.
- 18.3 Subject to Article 19, each of David Nuttall, Rachel Thomson and Phil Morris shall (while he or she is a Shareholder) have the right to appoint a director to the board, and such director shall be incapable of being removed by any other Shareholder.

## **19. Disqualification and removal of directors**

- 19.1 The office of director shall be vacated if:
- a) he ceases to be a director by virtue of any provision of the Act or he becomes prohibited by law from being a director; or
  - b) he becomes bankrupt or makes any arrangement or composition with his creditors generally (or in the case of a corporate director (i) is deemed unable to pay its debts within the meaning of section 123 of the Insolvency Act 1986 or (ii) takes any steps or any order is made in connection with its winding up or (ii) any application, order or petition is made or filed in connection with its winding up, administration or liquidation); or
  - c) he becomes Incapable; or

- d) he resigns his office by notice to the Company; or
- e) he is removed from office under Section 168 and 169 of the Act.

19.2 Any director who is also a shareholder and/or an employee in the Company shall automatically demit the office of director in the event of ceasing to be an employee and/or shareholder.

19.3 Regulation 18 of the Model Articles shall not apply.

## **20. Directors' interests**

### **20.1 Transactional**

20.1.1 Subject to any Relevant Agreement and sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

- a) may be party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;
- c) shall be entitled to vote at a meeting of the directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
- d) 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;
- e) 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
- f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or another 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.

### **20.2 Situational**

20.2.1 The directors may, in accordance with the requirements set out in this article and subject to any Relevant Agreement, authorise any matter or situation proposed to them



by any director which would, if not authorised, involve a director breaching his duty under section 175 of the Act to avoid conflicts of interest (a “Conflict”).

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

- a) the matter in question shall have been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
- b) any requirement as to the quorum at the meeting of the directors at which the matter is considered is met without counting the director in question; and
- c) the matter was agreed to without his voting or would have been agreed to if his vote had not been counted.

However, if the director is the only director of the Company at the time, he shall be counted in the quorum and shall be entitled to vote on the resolution in question.

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

- a) extend to any actual or potential Conflict which may reasonably be expected to arise out of the matter so authorised.
- b) be subject to such terms and for such duration, or impose such limits or conditions as the directors may determine; and
- c) be terminated or varied by the directors at any time prior to the Conflict arising.

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

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

- a) disclose such information to the directors or to any director or other office or employee of the Company; or
- b) use or apply any such information in performing his duties as a director,

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

20.2.5 Where the directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the director:

- a) is excluded from discussions (whether at meetings of directors or otherwise) related to the Conflict;
- b) is not given any documents or other information relating to the Conflict; and

- c) may or may not vote (or may or may not be counted in the quorum) at any future meeting of directors in relation to any resolution relating to the Conflict.

**20.2.6 Where the directors authorise a Conflict:**

- a) the director will be obliged to conduct himself in accordance with any terms imposed by the directors in relation to the Conflict; and
- b) the director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions, (if any) as the directors impose in respect of its authorisation.

**20.2.7** 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 or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

**21. Proceedings of directors**

Directors shall, subject to the terms of any Relevant Agreement and these Articles, have discretion as to the conduct of directors' meetings.

**21.1 Notice**

**21.1.1** There shall be due and proper notice of meetings of directors, having regard to the known availability of any particular director and the nature and urgency of the business to be considered.

**21.1.2** Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.

**21.1.3** Notice of any directors' meeting must indicate:

- a) its proposed time and date;
- b) where it is to take place; and
- c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.

**21.1.4** Notice of a directors' meeting must be given to each director, but need not be in writing.

**21.1.5** Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company, not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

## **21.2 Quorum**

21.2.1 The quorum for the transaction of business at a meeting of directors is any two eligible directors one of whom, for so long as he is a director, must be David Nuttall.

21.2.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 20 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

21.2.3 If, within thirty minutes (or such longer time not exceeding one hour as the chairman of the meeting decides) from the time appointed for the meeting, a quorum is not present the meeting shall be adjourned to the same day in the next week, at the same time and place, or to such other time and place as shall be agreed by a majority of those present at the meeting, subject to the time and place of the adjourned meeting:

- a) not being more than 1 month after the date of the adjourned meeting;
- b) being on a day falling Monday to Friday and commencing not later than 8pm; and
- c) being fairly set having regard to the known availability of the Shareholders.

At the adjourned meeting, the quorum shall be one eligible director present.

## **21.3 Chairman**

21.3.1 The directors may appoint a Chairman from among their number from time to time.

21.3.2 If the Chairman is not participating in a directors' meeting within ten minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

21.3.3 In the event of an equality of votes of the directors, the Chairman shall not have a casting vote.

21.3.4 Regulation 13 of the Model Articles shall not apply.

## **21.4 Participation in directors' meetings**

21.4.1 Subject to the 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 the Articles; and
- b) *they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.*

21.4.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.

21.4.3 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.

21.4.4 Subject to the foregoing provisions a vote at a directors' meeting may take place by email.

## **21.5 Board Minutes**

21.5.1 The directors must ensure that the Company keeps a record in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

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

## **22. Company Secretary**

The Company, by ordinary resolution, may choose to appoint any person, whether legal or natural, to hold the office of company secretary and may appoint any such person to be an assistant secretary.

## **23. Notices**

23.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

- a) if properly addressed and sent by UK first class post to an address in the United Kingdom, 48 hours after it was posted or five business days after posting it either to an address outside the United Kingdom or from an address outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider.
- b) if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

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

## **24. Indemnity**

24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- a) each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them; and including (in each case) any liability incurred by him in defending any civil or criminal
- b) proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated company's) affairs; and
- c) 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 24.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

24.2 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.

24.3 In this Article:

- a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- b) a "relevant officer" means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).