

ARTICLES OF ASSOCIATION

of

AMAZON FILTERS LIMITED

A PRIVATE COMPANY LIMITED BY SHARES

AND INCORPORATED UNDER THE

COMPANIES ACT 2006

ADOPTED ON:

25 May 2023

Company Number: 01318147

CRN: 01318147

TABLE OF CONTENTS

1.	Definitions and interpretation.....	1
2.	Unanimous decisions	6
3.	Calling a Directors' meeting.....	6
4.	Quorum for Directors' meetings.....	7
5.	Casting vote	8
6.	Transactions or other arrangements with the Company	8
7.	Directors' conflicts of interest.....	8
8.	Records of decisions to be kept	10
9.	Number of Directors	10
10.	Appointment of Directors.....	10
11.	Appointment and removal of alternate Directors.....	10
12.	Rights and responsibilities of alternate Directors	11
13.	Termination of alternate Directorship.....	11
14.	Voting rights	12
15.	Dividend rights	12
16.	Return of capital	12
17.	Transfer of Shares	13
18.	Issue of further shares.....	13
19.	Issue of further shares: pre-emption rights	14
20.	Pre-emption rights on the transfer of shares.....	14
21.	Permitted transfers.....	18
22.	Compulsory transfers	19
23.	Option to purchase.....	21
24.	Valuation of Shares	22
25.	Drag-along	23
26.	Tag along rights	24
27.	Purchase of own shares.....	25
28.	Poll votes	25
29.	Proxies	25
30.	Means of communication to be used	26
31.	Indemnity	26
32.	Insurance	27

CRN: 01318147

1. Definitions and interpretation

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

"A Ordinary Shareholder(s)" means the holder(s) of the A Ordinary Shares.

"A Ordinary Shares" means the A ordinary shares of £0.000001 each in the capital of the Company from time to time.

"Act" means the Companies Act 2006.

"Allocation Notice" has the meaning given to it in article 20.17.

"Applicant" has the meaning given to it in article 20.17.

"appointor" has the meaning given in article 11.1.

"Articles" means the Company's articles of association for the time being in force.

"Bad Leaver" means an Employee who becomes a Departing Employee and is not a Good Leaver.

"B Ordinary Shareholder(s)" means the holder(s) of the B Ordinary Shares.

"B Ordinary Shares" means the B ordinary shares of £0.000001 each in the capital of the Company from time to time.

"Business Day" means a day other than a Saturday, Sunday, bank or public holiday in England.

"Buyer" has the meaning given to it in article 26.1.

"C Ordinary Shareholder(s)" means the holder(s) of the C Ordinary Shares.

"C Ordinary Shares" means the C ordinary shares of £0.000001 each in the capital of the Company from time to time.

"Called Shareholder(s)" has the meaning given to it in article 25.1.

"Called Shares" has the meaning given to it in article 25.2.1.

"Call Option" has the meaning given to it in article 23.2.1.

"Civil Partner" means in relation to a Shareholder, a civil partner as defined in the Civil Partnership Act 2004.

"Conflict" has the meaning given in article 7.1.

"D Ordinary Shareholder(s)" means the holder(s) of the D Ordinary Shares.

"D Ordinary Shares" means the D ordinary shares of £0.000001 each in the capital of the Company from time to time.

CRN: 01318147

"Deemed Transfer Notice" means a Transfer Notice that is deemed to have been served under article 22.1.

"Departing Employee" means an Employee who ceases to be an employee of a Group Company.

"Drag Along Notice" has the meaning given to it in article 25.2.

"Drag Along Option" has the meaning given to it in article 25.1.

"Drag Purchaser" has the meaning given to it in article 25.1.

"Eligible Director" means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).

"Employee" means a Shareholder who is, or has been, a Director and/or employee of any Group Company.

"Encumbrance" means any interest or equity of any person (including any right to acquire, option, right of pre-emption, any agreement in respect of voting rights or commitment to give or create voting rights) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement.

"Exercise Price" has the meaning given to it in article 23.3.3.

"Fair Value" means in relation to a Share, as determined in accordance with article 24.2.

"Family Shareholder" means each of:

- a. Michael Pizzey;
- b. Carole Pizzey;
- c. Neil Mark Pizzey;
- d. Julie Pizzey;
- e. Karl James Pizzey;
- f. Victoria Pizzey;
- g. Jeffrey Walter Kirby;
- h. Elizabeth Kirby;
- i. Myles Pizzey; and
- j. a Permitted Transferee of any of the above Shareholders.

"Financial Year" means each accounting reference period of the Company determined from time to time in accordance with Chapter 3 of Part 15 of the Act.

"First Offer Period" has the meaning given to it in article 20.9.

CRN: 01318147

"First Surplus Shares" has the meaning given to it in article 20.10.2.

"Founder Director(s)" means Neil Mark Pizzey, Karl James Pizzey and Jeffrey Walter Kirby.

"Founder Shareholder(s)" means Neil Mark Pizzey, Carole Pizzey, Karl James Pizzey, Michael Pizzey and Jeffrey Walter Kirby.

"Good Leaver" means an Employee who becomes a Departing Employee by reason of:

- a. retirement, permanent disability or permanent incapacity through ill-health; or
- b. redundancy (as defined in the Employment Rights Act 1996); or
- c. dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful or constructive.

"Interested Director" has the meaning given to it in article 7.1.

"Minimum Transfer Condition" has the meaning given to it in article 20.2.4.

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

"Non-family Shareholder" means any Shareholder which is not a Family Shareholder.

"Non-founder Shareholder" means any Shareholder which is not a Founder Shareholder.

"Offer" has the meaning given to it in article 26.2.

"Offer Notice" has the meaning given to it in article 26.3.

"Offer Shareholders" has the meaning given to it in article 20.6.

"Offer Shares" has the meaning given to it in article 26.3.4.

"Option Event" has the meaning given to it in article 23.1.

"Option Period" has the meaning given to it in article 23.3.1.

"Option Shares" has the meaning given to it in article 23.2.1.

"Original Shareholder" means each Shareholder, excluding any Shareholder who, for the time being, only holds Shares as a result of a Permitted Transfer.

"Permitted Transfer" means a transfer of shares made in accordance with article 18.

"Permitted Transferee" means in relation to a Founder Shareholder, any of their Privileged Relations, the trustees of their Family Trust(s) or another Founder Shareholder.

CRN: 01318147

"Potential Sale" has the meaning given to it in article 25.1.

"Privileged Relation" means the spouse or Civil Partner of an Original Shareholder and the Original Shareholder's children and grandchildren (including step and adopted children and grandchildren).

"Proposed Purchaser" has the meaning given to it in article 25.1.

"Proposed Sale Price" has the meaning given to it in article 20.2.3.

"Proposed Transfer" has the meaning given to it in article 26.1.

"Sale Date" has the meaning given to it in article 26.3.

"Sale Shares" has the meaning given to it in article 20.2.1.

"Second Offer Period" has the meaning given to it in article 20.11.

"Second Offer Shareholders" has the meaning given to it in article 20.6.2.

"Second Surplus Shares" has the meaning given to it in article 20.12.3.

"Seller" has the meaning given to it in article 20.2.

"Sellers' Shares" has the meaning given to it in article 25.1.

"Selling Shareholders" has the meaning given to it in article 25.1.

"Shareholder Consent" means:

- a. in respect of any circumstance where all three Founder Directors continue to be employed or otherwise engaged by the Company, the prior written consent of at least 75% by nominal value of all A Ordinary Shares held by the A Ordinary Shareholders; or
- b. in respect of any circumstance where one or more Founder Director(s) cease(s) to be employed or otherwise engaged by the Company, the prior written consent of such percentage of the nominal value of the A Ordinary Shares held by the A Ordinary Shareholders, as is determined by the surviving Founder Director(s), save in the event of a deadlock between such surviving Founder Directors whereupon such percentage shall be determined by majority vote of the A Ordinary Shareholders.

"Shareholder" means any holder of any Shares.

"Shares" means shares (of any class) in the capital of the Company from time to time.

"Specified Price" has the meaning given to it in article 26.2.

"Termination Date":

- a. where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires;

CRN: 01318147

- b. where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;
- c. where the Employee concerned is a director but not an employee, the date on which their service agreement (or other terms of appointment) with the relevant Group Company is terminated; or
- d. in any other case, the date on which the employment or holding of office is terminated.

"Third Offer Period" has the meaning given to it in article 20.13.

"Third Offer Shareholders" has the meaning given to it in article 20.6.3.

"Third Surplus Shares" has the meaning given to it in article 20.14.3.

"Transfer Notice" has the meaning given to it in article 20.2.

"Valuers" means the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants or valuers jointly appointed by the Seller and the Board or, in the absence of agreement between the Seller and the Board on the identity of the expert within 10 Business Days of the expiry of the 10 Business Day period referred to in article 20.3, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.7 Any words following the terms including, include, in particular, for example or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, other and otherwise are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.

CRN: 01318147

- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 21, 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.11 Article 7 of the Model Articles shall be amended by:
 - 1.11.1 the insertion of the words "for the time being" at the end of article 7(2)(a);
 - 1.11.2 the insertion in article 7(2) of the words "(for so long as he remains the sole Director)" after the words "and the Director may"; and
 - 1.11.3 the insertion of the words at the end of article 7(2) "A sole Director shall be entitled to exercise all powers and discretions conferred on the Directors by the Act or the articles and nothing in these articles is to be construed as requiring the Company to have more than one Director".
- 1.12 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate Directors) and the secretary" before the words "properly incur".
- 1.13 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.15 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.16 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the Directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the Directors decide"

Directors

- 2. Unanimous decisions
 - 2.1 A decision of the Directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
 - 2.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
 - 2.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.
- 3. Calling a Directors' meeting
 - 3.1 Any Director may call a Directors' meeting by giving not less than 10 Business Days' notice of the meeting (or such lesser notice as all the Directors may agree) to the Directors or by authorising the Company secretary (if any) to give such notice.

CRN: 01318147

- 3.2 Notice of a Directors' meeting shall be given to each Director in writing.
- 3.3 Board meetings shall take place at least once every quarter.
- 4. Quorum for Directors' meetings
 - 4.1 Subject to article 4.2, the quorum for the transaction of business at a meeting of Directors is any two Eligible Directors, unless the shareholders have resolved pursuant to article 9 that there is to be only one Director in office for the time being, that Director shall form a quorum.
 - 4.2 The quorum for Directors' meetings shall be two Directors who must include a Founder Shareholder. If such quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.
 - 4.3 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
 - 4.4 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 at any time before or 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.
 - 4.5 Provided that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a relevant interest), a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
 - 4.6 Questions arising at any meeting of the Directors shall be decided by a majority of votes. In the case of any equality of votes, the chairman shall have a second or casting vote provided that the chairman shall not have a casting vote on a vote on a particular matter upon which he is restricted from voting.
 - 4.7 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 (including confirmation given by electronic means).
 - 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 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.
 - 4.9 If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:

CRN: 01318147

- 4.9.1 to appoint further Directors; or
 - 4.9.2 to call a general meeting so as to enable the shareholders to appoint further Directors.
5. Casting vote
- 5.1 If the numbers of votes for and against a proposal at a meeting of Directors are equal, the chair or other Director chairing the meeting has a casting vote.
 - 5.2 Article 5.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chair or other Director is not an Eligible Director for the purposes of that meeting (or part of a meeting).
6. Transactions or other arrangements with the Company
- 6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he or she has declared the nature and extent of his or her 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:
 - 6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 6.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such existing or proposed transaction or arrangement in which he or she is interested;
 - 6.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he or she is interested;
 - 6.1.4 may act by himself or herself, or his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or she, or his or her firm shall be entitled to remuneration for professional services as if he or she were not a Director;
 - 6.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 6.1.6 shall not, save as he or she may otherwise agree, be accountable to the Company for any benefit which he or she (or a person connected with him or her (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his or her duty under section 176 of the Act.
7. Directors' conflicts of interest

CRN: 01318147

- 7.1 The Directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an Interested Director) breaching his or her duty under section 175 of the Act to avoid conflicts of interest (Conflict).
- 7.2 Any authorisation under this article 7 will be effective only if:
- 7.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine;
 - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested Director; and
 - 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested Director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Directors or otherwise) related to the Conflict;
 - 7.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Directors in relation to any resolution related to the Conflict;
 - 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit;
 - 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his or her involvement in the Conflict and otherwise than through his or her position as a Director of the Company) information that is confidential to a third party, he or she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 7.3.6 permit the Interested Director to absent himself or herself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 7.4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself or herself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict.

CRN: 01318147

- 7.5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he or she 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.
8. Records of decisions to be kept
- Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.
9. Number of Directors
- Unless otherwise determined by ordinary resolution, the number of Directors (other than alternate Directors) shall not be subject to any maximum but shall not be less than two.
10. Appointment of Directors
- In any case where, as a result of death or bankruptcy, the Company has no shareholders and no Directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director.
11. Appointment and removal of alternate Directors
- 11.1 Any Director (appointor) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
- 11.1.1 exercise that Director's powers; and
- 11.1.2 carry out that Director's responsibilities,
- in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.
- 11.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.
- 11.3 The notice must:
- 11.3.1 identify the proposed alternate; and
- 11.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.

CRN: 01318147

12. Rights and responsibilities of alternate Directors

12.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.

12.2 Except as the Articles specify otherwise, alternate Directors:

12.2.1 are deemed for all purposes to be Directors;

12.2.2 are liable for their own acts and omissions;

12.2.3 are subject to the same restrictions as their appointors; and

12.2.4 are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his or her appointor is a member.

12.3 A person who is an alternate Director but not a Director:

12.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);

12.3.2 may participate in a unanimous decision of the Directors (but only if his or her appointor is an Eligible Director in relation to that decision, but does not participate); and

12.3.3 shall not be counted as more than one Director for the purposes of article 12.3.1 and article 12.3.2.

12.4 A Director who is also an alternate Director is entitled, in the absence of his or her appointor, to a separate vote on behalf of his or her appointor, in addition to his or her own vote on any decision of the Directors (provided that his or her 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.

12.5 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

13. Termination of alternate Directorship

13.1 An alternate Director's appointment as an alternate terminates:

13.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

13.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;

13.1.3 on the death of the alternate's appointor; or

CRN: 01318147

13.1.4 when the alternate's appointor's appointment as a Director terminates.

Shares

14. Voting rights

- 14.1 The A Ordinary Shares shall confer on each A Ordinary Shareholder the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 14.2 The B Ordinary Shares shall not entitle the B Ordinary Shareholders to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 14.3 The C Ordinary Shares shall not entitle the C Ordinary Shareholders to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.
- 14.4 The D Ordinary Shares shall not entitle the D Ordinary Shareholders to receive notice of, to attend, to speak or to vote at any general meeting of the Company nor to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company.

15. Dividend rights

- 15.1 Subject to article 15.2, the Directors shall have absolute discretion to determine the Company's dividend policy and in declaring dividends, taking into account their obligations under the Act and the financial requirements of the business.
- 15.2 Where no Founder Directors are appointed, and unless the Directors (acting with Shareholder Consent) agree otherwise in relation to any particular Financial Year:
- 15.2.1 the Company shall and each Shareholder shall use reasonable endeavours to procure (so far as is lawfully possible in the exercise of their rights and powers as a shareholder of the Company) that the Company shall distribute by way of dividend at least 50% of the profit of the Company in relation to each Financial Year, but after making all necessary, reasonable and prudent provisions and reserves for taxation, for the repayment of borrowings by the Company (if any), minority interests and extraordinary items as shown in the audited accounts for that year; and
- 15.2.2 the Company shall procure and each Shareholder shall use reasonable endeavours to procure (so far as is lawfully possible in the exercise of their rights and powers as a shareholder of the Company) that each subsidiary of the Company shall declare and pay sufficient and timely dividends to ensure the Company's compliance with article 15.2.1 in each Financial Year.
- 15.3 Any dividends which the Company distributes in accordance with this article 15 will be distributed among the holders of the Shares (pari passu as if the Shares constituted one class of shares) pro rata to their respective holdings of the Shares.

CRN: 01318147

16. Return of capital

- 16.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or repurchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the Shareholders pro rata to the number of Shares held and fully paid, as if they all constituted Shares of the same class.

17. Transfer of Shares

- 17.1 No member shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as permitted or required by these Articles, any shareholders' agreement between the members or with the prior written consent of the Board.

- 17.2 Subject to article 17.4, the Board shall register any duly stamped transfer made in accordance with these Articles and any shareholders' agreement between the members, unless it suspects that the proposed transfer may be fraudulent.

- 17.3 If, following a transfer of Shares in accordance with these Articles and any shareholders' agreement between the members, a member will hold no further Shares (excluding any Shares held by their personal representatives, successors and permitted assigns):

17.3.1 the member shall deliver, or procure that there are delivered, to the Company their resignation as a Director of the Company and resignations from any Directors appointed by them, such resignations to take effect at completion of the sale of the Shares; and

17.3.2 on completion of the sale of Shares the member shall, subject to:

17.3.2.1 article 17.4; and

17.3.2.2 any provisions of a shareholders' agreement between the members which continue in force in relation to that member,

automatically cease to be a party to any shareholders' agreement between the members in place, but such cessation shall not affect any rights, remedies, obligations or liabilities of that Shareholder which existed at or before the date of cessation.

- 17.4 Subject to article 17.5, no member shall, except with the prior written consent of the Board, sell, transfer or otherwise dispose of any Shares to any person who is not a party to any shareholders' agreement between the members in place without first obtaining from that person a deed of adherence to any shareholders' agreement in place between the members in favour of the other parties.

- 17.5 Nothing in article 17.4 shall require the Company to enter into a deed of adherence to any agreement in place between the members in respect of any Shares it holds in treasury from time to time.

18. Issue of further shares

- 18.1 The members procure that the Company shall not, and the Company shall not, allot, issue, sell, transfer or otherwise dispose of any Shares or other equity securities

CRN: 01318147

(within the meaning of section 560(1) of the Act) (including any Shares held in treasury from time to time) to any person, unless that person is a party to any shareholders' agreement between the members in place or has executed and delivered a deed of adherence in relation to any shareholders' agreement in place between the members in favour of the other parties to any shareholders' agreement between the members in place.

19. Issue of further shares: pre-emption rights

19.1 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all Shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

19.1.1 shall be in writing, shall be open for acceptance for a period of 15 Business Days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and

19.1.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which they are entitled shall, in their acceptance, state the number of excess equity securities for which they wish to subscribe.

20. Pre-emption rights on the transfer of shares

20.1 Except where the provisions of article 20.10, article 21.1, article 25 or article 26 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 20.

20.2 A Shareholder who wishes to transfer Shares (a Seller) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a Transfer Notice) to the Company specifying:

20.2.1 the number of Shares they wish to transfer (Sale Shares);

20.2.2 the name of the proposed transferee, if any;

20.2.3 subject to article 22.5.4, the price per Sale Share (in cash), if any, at which they wish to transfer the Sale Shares (the Proposed Sale Price); and

20.2.4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a Minimum Transfer Condition).

20.3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. A Deemed Transfer Notice may not be withdrawn.

20.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

CRN: 01318147

20.5 As soon as practicable following the later of:

20.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and

20.5.2 the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 20.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 20 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.

20.6 The Company shall, subject to article 21.1, offer the Sale Shares in the following order of priority:

20.6.1 first, to the Company;

20.6.2 second, to the Founder Shareholders (Second Offer Shareholders);

20.6.3 third, to the remaining Shareholders (excluding any Second Offer Shareholders and those who hold employment-related securities in accordance with any employee share scheme in the Company) (Third Offer Shareholders),

(each Offer Shareholders) in each case on the basis set out in article 20.8 to article 20.14 (inclusive).

20.7 An offer of Sale Shares made in accordance with article 20.6.1 shall remain open for acceptance for a period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive). Any Sale Shares not allocated within that period shall be dealt with in accordance with article 20.8 and article 20.11.

20.8 Subject to article 20.7, the Directors shall offer the Sale Shares in the order of priority referred to in article 20.6 to the parties listed in article 20.6 (other than the Seller).

20.9 The Directors shall first invite the Company to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the First Offer Period) for the maximum number of Sale Shares they wish to buy.

20.10 If:

20.10.1 at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to the Company; and

20.10.2 at the end of the First Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the Company in accordance with its application. The balance (the First Surplus Shares) shall be dealt with in accordance with article 20.11.

20.11 At the end of the First Offer Period, the Directors shall offer the First Surplus Shares (if any) to the Second Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business

CRN: 01318147

Days after the offer (both dates inclusive) (the Second Offer Period) for the maximum number of First Surplus Shares they wish to buy.

20.12 If:

20.12.1 at the end of the Second Offer Period, the number of First Surplus Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the First Surplus Shares to each Second Offer Shareholder who has applied for First Surplus Shares in the proportion which his existing holding of Shares bears to the total number of Shares of the class being offered held by all Second Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all First Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a Shareholder of more than the maximum number of First Surplus Shares which that Shareholder has stated they are willing to buy;

20.12.2 not all First Surplus Shares are allocated following allocations in accordance with article 20.12.1, but there are applications for First Surplus Shares that have not been satisfied, the Directors shall allocate the remaining First Surplus Shares to such applicants in accordance with the procedure set out in article 20.12.1. The procedure set out in this article 20.12.2 shall apply on any number of consecutive occasions until either all First Surplus Shares have been allocated or all applications for First Surplus Shares have been satisfied; and

20.12.3 at the end of the Second Offer Period, the total number of First Surplus Shares applied for is less than the number of First Surplus Shares, the Directors shall allocate the First Surplus Shares to the Second Offer Shareholders in accordance with their applications. The balance (the Second Surplus Shares) shall be dealt with in accordance with article 20.13.

20.13 At the end of the Second Offer Period, the Directors shall offer the Second Surplus Shares (if any) to the Third Offer Shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the Third Offer Period) for the maximum number of Second Surplus Shares they wish to buy.

20.14 If:

20.14.1 at the end of the Third Offer Period, the number of Second Surplus Shares applied for is equal to or exceeds the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to each Third Offer Shareholder who has applied for Second Surplus Shares in the proportion which his existing holding of Shares of the class held by Third Offer Shareholders bears to the total number of Shares of the class held by all Third Offer Shareholders (other than the Seller). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Second Surplus Shares being allocated, in which case, the allocation of any such fractional entitlements shall be determined by the Directors). No allocation shall be made to a

CRN: 01318147

Shareholder of more than the maximum number of Second Surplus Shares which that Shareholder has stated they are willing to buy;

- 20.14.2 not all Second Surplus Shares are allocated following allocations in accordance with article 20.14.1, but there are applications for Second Surplus Shares that have not been satisfied, the Directors shall allocate the remaining Second Surplus Shares to such applicants in accordance with the procedure set out in article 20.14.1. The procedure set out in this article 20.14.2 shall apply on any number of consecutive occasions until either all Second Surplus Shares have been allocated or all applications for Second Surplus Shares have been satisfied; and
- 20.14.3 at the end of the Third Offer Period, the total number of Second Surplus Shares applied for is less than the number of Second Surplus Shares, the Directors shall allocate the Second Surplus Shares to the Third Offer Shareholders in accordance with their applications.
- 20.15 Any shares not sold may be sold by the Seller, at any time during the following 10 Business Days, transfer the balance of the Second Surplus Shares to the buyer identified in the Transfer Notice (if any) at a price per Share at least equal to the Proposed Sale Price, with the prior consent of the Directors. The Seller shall not be permitted to transfer any such Sale Shares to a third party buyer if that buyer was not identified in the Transfer Notice (save with Shareholder Consent).
- 20.16 Where the Transfer Notice contains a Minimum Transfer Condition:
 - 20.16.1 any allocation made under article 20.7 to article 20.14 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition; and
 - 20.16.2 if the total number of Sale Shares applied for under article 20.7 to article 20.14 (inclusive) is less than the number of Sale Shares, the Board shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.
- 20.17 Where either:
 - 20.17.1 the Transfer Notice does not contain a Minimum Transfer Condition; or
 - 20.17.2 allocations have been made in respect of all the Sale Shares,

the Directors shall, when no further offers or allocations are required to be made under article 20.7 to article 20.14 (inclusive), give notice in writing of the allocations of Sale Shares (an Allocation Notice) to the Seller and each Shareholder to whom Sale Shares have been allocated (each an Applicant). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 10 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 20.18 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice.
- 20.19 If the Seller fails to comply with article 20.18:

CRN: 01318147

- 20.19.1 the chairman (or, failing the chairman, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller:
 - 20.19.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
 - 20.19.1.2 receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
 - 20.19.1.3 (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them; and
- 20.19.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered the certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company.
- 20.20 The Board's consent pursuant to article 20.15 shall not be granted if the Directors reasonably consider that:
 - 20.20.1 the transferee is a person (or a nominee for a person) whom the Board determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company;
 - 20.20.2 the sale of the Sale Shares is not bona-fide or the price is subject to a deduction, rebate or allowance to the transferee; or
 - 20.20.3 the Seller has failed or refused to promptly provide information available to them and reasonably requested to enable it to form the opinion referred to in article 20.20.2.
- 21. Permitted transfers
 - 21.1 A Founder Shareholder may at any time transfer any of its Shares in the Company to a Permitted Transferee without being required to follow the steps set out in article 20.
 - 21.2 A Shareholder holding Shares in the Company as a result of a Permitted Transfer made after the date of adoption of this Agreement by an Original Shareholder under the provisions of this article 21.2 may at any time transfer any of its Shares back to the Original Shareholder from whom it received those Shares or to another Permitted Transferee of such Original Shareholder, without being required to follow the steps set out in article 20.
 - 21.3 If a Permitted Transfer has been made to a Permitted Transferee, that Permitted Transferee shall within five Business Days of ceasing to be a Permitted Transferee transfer all of the Shares in the Company held by it to:
 - 21.3.1 the Original Shareholder from whom it received those Shares; or

CRN: 01318147

21.3.2 another Permitted Transferee of that Original Shareholder,

(which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 21.3, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 21.3.

21.4 If a Permitted Transfer has been made to a Privileged Relation of an Original Shareholder, that Privileged Relation shall within 10 Business Days of ceasing to be a Privileged Relation of that Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise, but not by reason of death) execute and deliver to the Company a transfer of those Shares held pursuant to a Permitted Transfer in favour of that Original Shareholder for such consideration as may be agreed between them, failing which a Transfer Notice shall be deemed to have been given in respect of those Shares in accordance with article 17.

21.5 In relation to a Privileged Relation (other than a joint holder) holding Shares pursuant to a Permitted Transfer from an Original Shareholder, on the occurrence of:

21.5.1 the Privileged Relation's death;

21.5.2 a bankruptcy petition being presented for the Privileged Relation's bankruptcy, or an arrangement or composition being made with any of the Privileged Relation's creditors, or where the Privileged Relation otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or

21.5.3 the Privileged Relation lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or their shareholding,

that Privileged Relation and that Privileged Relation's personal representatives, trustee(s) in bankruptcy, and attorney(s) or otherwise (as the case may be) shall, within 10 Business Days after the grant of probate, the making of the bankruptcy order or the determination of lack of capacity (as the case may be), execute and deliver to the Company a transfer of those Shares in favour of that Original Shareholder for such consideration as may be agreed between them, failing which the Privileged Relation and the Privileged Relation's personal representatives, trustee(s) in bankruptcy, and attorney(s) or otherwise (as the case may be) shall be deemed to have given a Transfer Notice in respect of those Shares in accordance with article 17. The provisions of article 22.2 shall apply to such a deemed Transfer Notice.

21.6 If a Permitted Transfer has been made to the trustees of a Family Trust, the trustees of that Family Trust shall within 10 Business Days of that Family Trust ceasing to be wholly for the benefit of the settlor and/or the settlor's Privileged Relations execute and deliver to the Company a transfer of those Shares held by them or the Family Trust pursuant to a Permitted Transfer in favour of the Original Shareholder for such consideration as may be agreed between them, failing which the trustees shall be deemed to have given a Transfer Notice in respect of the Shares in accordance with article 17. The provisions of article 22.2 shall apply to such a deemed Transfer Notice.

22. Compulsory transfers

CRN: 01318147

22.1 A Shareholder is deemed to have served a Transfer Notice under article 20 immediately before any of the following events:

- 22.1.1 subject to article 21.5, a bankruptcy petition being presented for the Shareholder's bankruptcy, or an arrangement or composition being made with any of the Shareholder's creditors, or where the Shareholder otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;
- 22.1.2 subject to article 21.5 and article 22.2, the Shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or their shareholding;
- 22.1.3 the Shareholder (being both a Non-family Shareholder and an Employee) becoming a Departing Employee, unless the Board (acting with Shareholder Consent) otherwise directs in writing within 5 Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served;
- 22.1.4 the Shareholder committing a material or persistent breach of this Agreement which, if capable of remedy, has not been so remedied within 10 Business Days of notice to remedy the breach being served by all the other parties; or
- 22.1.5 subject to article 22.2, the Shareholder's death.

22.2 The:

- 22.2.1 death of a Founder Shareholder; and / or
- 22.2.2 Founder Shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or their shareholding,

shall not be an event which deems the Founder Shareholder to have served a Transfer Notice under article 20 and any Shares held by that Founder Shareholder and the transmission of such Shares shall be effected by the Founder Shareholder's personal representatives.

22.3 A Deemed Transfer Notice deemed to be served under article 22.1.3 or article 22.1.4 shall immediately and automatically revoke:

- 22.3.1 a Transfer Notice served by the relevant Shareholder or any of the relevant Shareholder's Permitted Transferees before the occurrence of the relevant event giving rise to the Deemed Transfer Notice (excluding a Transfer Notice served by a Permitted Transferee that relates exclusively to Shares not acquired (whether directly or indirectly) pursuant to a Permitted Transfer); and
- 22.3.2 a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 22.1.1 to 22.1.3 (inclusive).

22.4 A Transfer Notice deemed to have been served by a Shareholder under article 22.1 shall, in the case of a Founder Shareholder only, not be deemed to have been served

CRN: 01318147

under article 20 in respect of any Shares held by any Permitted Transferee of that Founder Shareholder.

22.5 A Deemed Transfer Notice has the same effect as a Transfer Notice and the provisions of article 20 shall apply, except that:

22.5.1 the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by the Seller (including any Shares acquired after the date the relevant Transfer notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Deemed Transfer Notice);

22.5.2 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Shares;

22.5.3 subject to article 22.5.4 and article 22.5.5, the Transfer Price shall be the Fair Value of those Shares;

22.5.4 if the Seller is deemed to have given a Transfer Notice as a result of article 22.1.3, the Transfer Price shall, where the Departing Employee is:

22.5.4.1 a Bad Leaver, be restricted to a maximum of the lower of the subscription price paid for each Sale Share, including any share premium, and the Fair Value of each such Sale Share; and

22.5.4.2 a Good Leaver, be the Fair Value of each such Sale Share; and

22.5.5 if the Seller is deemed to have given a Transfer Notice as a result of article 22.1.4, the Transfer Price shall be restricted to a maximum of the lower of the lower of the subscription price paid in respect of each Sale Share, including any share premium, and the Fair Value of each such Sale Share; and

22.5.6 the Seller does not have a right to withdraw the Deemed Transfer Notice following a valuation.

23. Option to purchase

23.1 For the purposes of this article 22.1, each of the following is an Option Event:

23.1.1 in the case of a Non-Founder Shareholder's death where the legal or equitable benefit of the Shares are to be transferred to a third party; or

23.1.2 in the case of a Non-Founder Shareholder's divorce or dissolution of a civil partnership or otherwise where the legal or equitable benefit of the Shares are to be transferred to a third party; or

23.1.3 where a Non-founder Shareholder attempts, seeks to attempt to, or transfers the legal or beneficial interest in the Shares held by the Non-founder Shareholder to a third party.

23.2 If a Non-Founder Shareholder suffers an Option Event:

CRN: 01318147

- 23.2.1 the Non-Founder Shareholder shall grant to the Company a call option to purchase all of the Shares held by the Non-Founder Shareholder (Option Shares) subject to the terms listed in article 23.3 (Call Option);
 - 23.2.2 the Option Shares shall cease to confer on the holder of them any rights to:
 - 23.2.2.1 exercise the votes (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise) attaching to those Option Shares and the calculation of Shareholder Consent shall exclude those Option Shares; or
 - 23.2.2.2 to participate in any future issue of Shares issued in respect of those Option Shares; and
 - 23.2.3 if required by the Board, the Non-Founder Shareholder shall deliver, or procure that there are delivered, to the Company, his resignation as a Director of the Company and resignations from any Directors appointed by him, such resignations.
- 23.3 The Call Option shall be subject to the following terms:
- 23.3.1 that the option may only be exercised by the Company within three years of the date of the Option Event (Option Period);
 - 23.3.2 that the option shall lapse if not exercised by the Company within the Option Period;
 - 23.3.3 that the price payable by the Company for the Option Shares shall be the lower of the Fair Value at the date of the Option Event or the Fair Value at the date of exercise of the option by the Company and in both cases Fair Value shall be calculated in accordance with article 24 and references to Sale Shares in that article shall be deemed to be replaced by references to Option Shares (Exercise Price);
 - 23.3.4 the Option Shares shall be sold with full title guarantee free from all liens, charges and encumbrances and with rights attached to them at the date the option is exercised by the Company; and
 - 23.3.5 the Company shall pay the Exercise Price in full in cash within 10 Business Days of determination of the Exercise Price.
24. Valuation of Shares
- 24.1 The Valuers shall be requested to determine the Fair Value within 15 Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
 - 24.2 The Fair Value for any Sale Share shall be the price per Share determined in writing by the Valuers on the following bases and assumptions:
 - 24.2.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital

CRN: 01318147

- of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
 - 24.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 24.2.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - 24.2.4 the Sale Shares are sold free of all Encumbrances;
 - 24.2.5 taking account of any factors which are requested in writing between a buyer and seller of any Sale Shares as being relevant for the purposes of calculating the Fair Value;
 - 24.2.6 the sale is taking place on the date the Valuers were requested to determine the Fair Value; and
 - 24.2.7 taking account of any other factors that the Valuers reasonably believe should be taken into account.
- 24.3 The Shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the Shareholders may reasonably require.
- 24.4 To the extent not provided for by this article 22.1, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary), instructing professional advisers to assist them in reaching their valuation.
- 24.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the parties (in the absence of manifest error or fraud).
- 24.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article 20, in which case the Seller shall bear the cost.
- 25. Drag-along
 - 25.1 If Shareholders representing at least 70% of the total Shares of the Company wish to transfer all (but not some only) of their Shares (the Selling Shareholders) to a bona fide purchaser on arm's length (Proposed Purchaser) (a Potential Sale, and each a transfer of the **Sellers' Shares**), the Selling Shareholders shall have the option (the Drag Along Option) to compel the remaining Shareholders (the Called Shareholder(s)) to sell and transfer all of their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct (the Drag Purchaser) in accordance with the provisions of this article.
 - 25.2 The Drag Along Option may be exercised by the Selling Shareholders giving a written notice to that effect (a Drag Along Notice) to the Called Shareholder(s) at any time before the transfer of the Sellers' Shares to the Drag Purchaser. A Drag Along Notice shall specify that:

CRN: 01318147

- 25.2.1 the Remaining Shareholder(s) is required to transfer all its Shares (the Called Shares) under this article 25;
- 25.2.2 the person to whom the Called Shares are to be transferred;
- 25.2.3 the consideration (whether in cash or otherwise) for which the Called Shares are to be transferred (calculated in accordance with this article);
- 25.2.4 the proposed date of transfer.
- 25.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares in accordance with article 25.1 to the Drag Purchaser within 60 Business Days after the date of service of the Drag Along Notice. The Seller shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 25.4 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale Shares by the Founder unless the Selling Shareholders and the Called Shareholder(s) agree otherwise in which case the Completion Date shall be the date agreed in writing by them.
- 25.5 On or before the Completion Date, the Called Shareholder(s) shall execute and deliver a stock transfer form for the Called Shares, together with the relevant Share certificate(s) (or a suitable indemnity for any lost Share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholder(s), on behalf of the Proposed Buyer, the amounts due pursuant to article 25.2 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholder(s) in trust for the Called Shareholder(s) without any obligation to pay interest.
- 25.6 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholder(s) shall be entitled to the return of the stock transfer form and Share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholder(s) shall have no further rights or obligations under this article 25 in respect of its Shares.
- 25.7 If the Called Shareholder(s) does not, on or before the Completion Date, execute and deliver (in accordance with article 25.5) transfer(s) in respect of all of the Called Shares held by it, the Selling Shareholders shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholder to be its agent to execute all necessary transfer(s) on its behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as it may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a Share certificate shall not impede the registration of Shares under this article 25.7.
- 26. Tag along rights
- 26.1 The provisions of this article 26 shall apply if Shareholders representing 50% of the total Shares of the Company propose to transfer their Shares to a bona fide purchaser

CRN: 01318147

on arm's length terms and such transfer would, if carried out, result in such person (Buyer) acquiring a Controlling Interest in the Company (a Proposed Transfer).

- 26.2 Before making a Proposed Transfer, the Selling Shareholder(s) shall procure that the Buyer makes an offer (Offer) to the remaining Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer in the Proposed Transfer (Specified Price).
- 26.3 The Offer shall be made by written notice (Offer Notice), at least 10 Business Days before the proposed transfer date (Sale Date). To the extent not described in any accompanying documents, the Offer Notice shall set out:
- 26.3.1 the identity of the Buyer;
 - 26.3.2 the Specified Price and other terms and conditions of payment;
 - 26.3.3 the Sale Date; and
 - 26.3.4 the number of Shares proposed to be purchased by the Buyer (Offer Shares).
- 26.4 If the Offer is accepted by the remaining Shareholders in writing within 5 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by the Shareholder.
27. Purchase of own shares
- 27.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 27.1.1 £15,000; and
 - 27.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

Decision making by shareholders

28. Poll votes
- 28.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.
- 28.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.
29. Proxies
- 29.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the

CRN: 01318147

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

- 29.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

Administrative arrangements

30. Means of communication to be used

- 30.1 Subject to article 30.3, any notice, document or other information shall be deemed received by the intended recipient:

- 30.1.1 if delivered by hand at the time the notice, document or other information is left at the address;
- 30.1.2 if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting;
- 30.1.3 if sent by pre-paid airmail providing proof of postage at 9.00 am on the fifth Business Day after posting;
- 30.1.4 if sent by email or fax, at the time of transmission; or
- 30.1.5 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.

- 30.2 If deemed receipt under article 30.1 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this article 18.2, business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt and all references to time are to local time in the place of receipt.

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

- 30.3.1 if delivered by hand, the notice was delivered to the correct address; or
- 30.3.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted;
- 30.3.3 sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 30.3.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

31. Indemnity

- 31.1 Subject to article 31.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

CRN: 01318147

- 31.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a relevant officer:
 - 31.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - 31.1.1.2 in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him or her in defending any civil or criminal proceedings, in which judgment is given in his or her favour or in which he or she is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his or her part or in connection with any application in which the court grants him or her, in his or her 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
- 31.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in article 31.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 31.2 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.
- 31.3 In this article:
 - 31.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 31.3.2 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he or she is also a Director or other officer), to the extent he or she acts in his or her capacity as auditor).
- 32. Insurance
 - 32.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
 - 32.2 In this article:
 - 32.2.1 a "relevant officer" means any Director or other officer or former Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor

CRN: 01318147

(whether or not he or she is also a Director or other officer), to the extent he or she acts in his capacity as auditor);

32.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

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