

Company number 04181041

**ORDINARY + SPECIAL RESOLUTIONS**

**OF**

**ARDENTA LIMITED (the "Company")**

Passed on *5<sup>th</sup> May* 2015

The following resolutions were duly passed as an ordinary and a special resolution on the above stated dated by way of written resolution under Chapter 2 of Part 13 of the Companies Act 2006

**ORDINARY RESOLUTION**

**1 AUTHORITY TO ALLOT**

THAT, in accordance with section 551 of the Companies Act 2006 (the "**CA 2006**"), the directors of the Company (the "**Directors**") be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company ("**Rights**") up to an aggregate nominal amount of £168 42 (one hundred and sixty eight pounds and forty two pence) provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date being five years from the date upon which this resolution is passed save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority is in addition to (and shall not in any way constitute a waiver, amendment or revocation of) any previous authorities conferred on the Directors in accordance with section 80A of the Companies Act 1985 or section 551 of the CA 2006 (including, but without prejudice to the generality of the foregoing, any authority conferred pursuant to article 5 2 of the Company's articles of association as adopted on 30 November 2011)

**SPECIAL RESOLUTION**

- 2 THAT the articles of association of the Company be amended by making the additions to and deletions from the articles of association in the form shown attached hereto at Schedule 1, whereby text shown double underlined will be added to the articles of association and text shown struck through will be deleted from the articles of association

Signed



Director

TUESDAY



A10 12/05/2015 #92  
COMPANIES HOUSE

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**ARDENTA LIMITED**

**(Company number: 04181041)**

**(Adopted by Special Resolution passed on 30 November 2011 and amended by Special Resolution passed on 2015)**

---

**Articles of Association**

## CONTENTS

ARTICLE	Page
1 PRELIMINARY	2
2 PRIVATE COMPANY	2
3 INTERPRETATION	2
4 SHARE CAPITAL	<u>56</u>
5 ISSUE OF NEW SHARES	<u>79</u>
6 ALTERATION OF SHARE CAPITAL	<u>810</u>
7 PROHIBITED TRANSFERS	<u>811</u>
8 PERMITTED TRANSFERS	<u>811</u>
9 COMPULSORY TRANSFERS-9 – 'A' SHAREHOLDERS (EMPLOYEE MEMBERS)	<u>11</u>
10 <u>COMPULSORY TRANSFERS – 'B' SHAREHOLDERS</u>	<u>14</u>
<u>11</u> SHARE VALUATION	<u>1416</u>
<u>11-12</u> TAG ALONG RIGHTS ON A CHANGE OF CONTROL	<u>1216</u>
<u>12-13</u> DRAG ALONG RIGHTS	<u>1217</u>
<u>13-14</u> CALLING A BOARD MEETING	<u>1419</u>
<u>14-15</u> QUORUM FOR BOARD MEETINGS	<u>1419</u>
<u>15-16</u> PROCEEDINGS AT BOARD MEETINGS	<u>1419</u>
<u>16-17</u> TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY	<u>1520</u>
<u>17-18</u> DIRECTORS' CONFLICTS OF INTEREST	<u>1620</u>
<u>18-19</u> RECORDS OF DECISIONS TO BE KEPT	<u>1722</u>
<u>19-20</u> NUMBER OF DIRECTORS	<u>1722</u>
<u>20-21</u> APPOINTMENT & REMOVAL OF DIRECTORS	<u>1722</u>
<u>21-22</u> APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS	<u>1823</u>
<u>22-23</u> RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS	<u>1823</u>
<u>23-24</u> TERMINATION OF ALTERNATE DIRECTORSHIP	<u>1924</u>
<u>24-25</u> BORROWING POWERS	<u>1924</u>
<u>25-26</u> SECRETARY	<u>1924</u>
<u>26-27</u> GENERAL MEETINGS	<u>2025</u>
<u>27-28</u> POLL VOTES	<u>2025</u>
<u>28-29</u> PROXIES	<u>2025</u>
<u>29-30</u> SINGLE SHAREHOLDER COMPANY	<u>2025</u>
<u>30-31</u> SHARES	<u>2126</u>
<u>31-32</u> LIEN, CALLS ON SHARES AND FORFEITURE	<u>2126</u>
<u>32-33</u> MEANS OF COMMUNICATION TO BE USED	<u>2429</u>
<u>33-34</u> INDEMNITY	<u>2530</u>
<u>34-35</u> INSURANCE	<u>2530</u>

## 1 PRELIMINARY

- 1 1 In these Articles "**Model Articles**" means the Model Articles in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No 3229) and as otherwise amended prior to the adoption of these Articles. 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.
- 1 2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1 3 Articles 9(1), 11(2), 13, 14(1), (2), (3) and (4), 17(2), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1 4 Article 7 of the Model Articles shall be amended by
- 1 4 1 the insertion of the words "for the time being" at the end of Article 7(2)(a), and
- 1 4 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"
- 1 5 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate Directors) and the secretary (if any)" before the words "properly incur"
- 1 6 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 7 Article 27(3) of the Model Articles shall be amended by the insertion of the words", subject to Article 22," after the word "But"
- 1 8 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)," after the words "the transmittee's name"
- 1 9 Articles 31(1)(a) to (d) (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"

## 2 PRIVATE COMPANY

The Company is a private company within the meaning of section 4(1) of the Companies Act 2006

## 3 INTERPRETATION

- 3 1 In these Articles unless the context otherwise requires, the following expressions have the following meanings

**Act** means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force on the date of adoption of these Articles,

**'A' Ordinary Shares** means the 'A' Ordinary Shares of £0.01 each in the share capital of the Company from time to time,

**'A' Shareholders** means the registered holders of 'A' Ordinary Shares,

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

**Asset Sale** means the sale of the whole or substantially the whole of the business and assets of the Company,

**Asset Sale Date** means the date of the Asset Sale,

**Auditors** means the auditors from time to time appointed by the Company and/or such other firm of accountants as the Board may from time to time select,

**Bad Leaver** means a Leaver who is not a Good Leaver,

**Balance of Exit Proceeds** has the meaning given to that term in Article 4.3.

**'B' Ordinary Shares** means the 'B' Ordinary Shares of £0.10 (ten pence) each in the share capital of the Company from time to time.

**'B' Shareholders** means the registered holders of the 'B' Ordinary Shares.

**B Shareholder's Fixed Percentage** has the meaning given to that term in Article 4.3.

**Board** means the board of Directors of the Company from time to time,

**Controlling Interest** means an interest in shares in the Company conferring in the aggregate 50% or more of the total voting rights conferred by all the Shares,

**Deemed Transfer Notice** means a Transfer Notice deemed to be given under any provision of these Articles,

**Director** a director for the time being of the Company,

**EMI Plan** means the Ardent Enterprise Management Incentive Plan adopted by the Board on or about the date of adoption of these Articles,

**Employee** means an employee of the Company,

**Employee Member** means a Director and/or Employee who is an 'A' Shareholder but not an Ordinary Shareholder,

**Exit** means an Asset Sale, Share Sale, Listing or Liquidation,

**Exit Date** means an Asset Sale Date, a Listing Date, a Sale Date or a Liquidation Date, as appropriate,

**Exit Proceeds** means

- (a) in the case of a Listing, the valuation placed on all of the Shares on the Listing Date, as shown in the prospectus or listing particulars published in connection with the Listing, excluding the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares, or
- (b) in the case of a Share Sale, the aggregate price or value of the consideration to be paid for all of the Shares subject to the Share Sale,
- (c) in the case of a Liquidation, the proceeds available for distribution to the Shareholders as holders of Shares, or
- (d) in the case of an Asset Sale, the aggregate amount of the consideration received by the Company

in each case after payment of all costs and expenses incurred in connection with the Exit by the Shareholders and, to the extent that such deductions have not already been taken into account in determining the value of the Shares and any dispute as to the amount of the Exit Proceeds for the purposes of these Articles will be determined in accordance with Article 4-6, 4.8.

**Good Leaver** means a Leaver due to Ill-health or Injury, death, or retirement in accordance with the terms of the Leaver's contract of employment or an Employee Member who becomes so after becoming a Leaver in the circumstances referred to within part (b) of the definition of Leaver or an Employee Member who becomes a Leaver for any other reason where the Board determines such Employee should be treated as a Good Leaver for the purposes of these Articles,

**Group** means the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly.

**Ill-health or Injury** means ill-health or injury which in the opinion of the Board (having requested such evidence as it may require) has resulted in the Employee ceasing to be capable to carry out the duties for which he is employed,

**Leaver** means an Employee Member who ceases to be a Director and/or Employee and/or (b) an Employee Member who exercises an option after having so ceased and where such exercise occurs pursuant to the Board exercising its discretion under Rule 4.4 or Rule 4.6 of the EMI Plan,

**Liquidation** means the passing of a resolution for the winding-up of the Company,

**Liquidation Date** means the date of a Liquidation,

**Listing** the successful application and admission of all or any of the Shares in the capital of the Company, or securities representing such shares (including American depositary receipts, American depositary shares and/or other instruments to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended))

**Listing Date** means the date on which the Listing of all or any of the Shares first becomes effective,

**Market Value** as provided in Article ~~10~~11.

**Ordinary Shares** means the Ordinary Shares of £0.01 each in the share capital of the Company or such other shares representing or deriving from the same from time to time (and which shall, for the avoidance of doubt, exclude 'A' Ordinary Shares and 'B' Ordinary Shares),

**Ordinary Shareholders** means the registered holders of Ordinary Shares,

**Paid up** means, in relation to a share, paid up or credited as paid up,

**Reduction of A Exit Proceeds** has the meaning given to that term in Article 4.6.

**Reduction of B Exit Proceeds** has the meaning given to that term in Article 4.5.

**Sale Date** means the date of the Share Sale,

**Share** means a share in the capital of the Company of whatever class and "Shares" shall be construed accordingly,

**Share Sale** means the sale of Shares to any person resulting in that person together with any person Acting in Concert with such person holding a Controlling Interest,

**Shareholders** shall mean a holder of any Shares, and

**Transfer Notice** a notice in writing given by any Shareholder to the Company where that shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any shares Where such notice is deemed to have been served, it shall be referred to as a **Deemed Transfer Notice**

3.2 In these Articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles

- 3 3 In these Articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate, and (in each case) vice versa
- 3 4 In these Articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

#### 4 SHARE CAPITAL

The rights attaching to the respective classes of Shares shall be as follows

##### 4 1 As regards dividends

4 1.1. Subject to Article 4.1.4 and Article 4.1.6 in each case.

- (a) with regards to interim dividends, the Directors may declare interim dividends in accordance with the Model Articles but the total amount of any interim dividend will be allocated between the classes of the Ordinary Shares and the 'B' Ordinary Shares in such proportions as the Directors may determine in their absolute discretion, provided that the amount of an interim dividend allocated to a given class of Shares in accordance with this Article shall be paid between the holders of that class of Shares on a pro-rata basis, and
- (b) 4 1 1 Subject to Article 4 1 3, with the exception of interim with regards to final dividends (as authorised under the Model Articles), the profits of the Company available for distribution shall be applied to the extent that the profits for distribution are resolved to be distributed by the Shareholders in general meeting in paying the amount thereof to the holders of Ordinary Shares (excluding for the avoidance of doubt 'A' Ordinary Shares and 'B' Ordinary Shares) in the manner and in the amounts determined by the majority of the Ordinary Shareholders) in general meeting,

4 1.2 Ordinary Shares shall (in addition to any other distribution rights they may have under these Articles) be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale. In the event of such distribution, the Ordinary Shares shall have the rights outlined in Article 4.4 below.

4 1.3. 4 1 2 'A' Ordinary Shares shall only be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale In the



event of such distribution, the 'A' Ordinary Shares shall have the rights outlined in Article 4-34.4 below, and

4.1.4. ~~save in respect of Article 4.1.3, the 'A' Ordinary Shares shall attract no right to receive dividends and/or distributions.~~

4.1.5. ~~'B' Ordinary Shares shall be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale. In the event of such distribution, the 'B' Ordinary Shares shall have the rights outlined in Article 4.4 below, and~~

4.1.6 ~~4.1.3—save in respect of Article 4.1.2, the 'A'save in respect of Article 4.1.5 and 4.1.1(a), the 'B' Ordinary Shares shall attract no right to receive dividends and/or distributions~~

## 4.2 As regards voting

4.2.1 on a show of hands ,

(a) every Ordinary Shareholder who (being an individual) is present in person (or being a corporation) is present by a representative or present by proxy (not being himself an Ordinary Shareholder) shall (except as hereinafter provided) have one vote,

(b) ~~each 'B' Shareholder who (being an individual) is present in person or (being a corporation) is present by a representative or present by proxy (not being himself a 'B' Shareholder) shall (except as hereinafter provided) have a number of votes equal to X (rounded upwards to the nearest whole number), where X is calculated as follows.~~

$$X = Y \times Z$$

~~where Y is the aggregate total number of votes held by those Ordinary Shareholders voting on the show of hands, and Z is the number obtained by dividing the number 5 (five) by 95 (ninety five).~~

4.2.2 ~~on a poll taken at a general meeting or on a vote on a written resolution.~~

(a) ~~4.2.2—on a poll—~~every Ordinary Shareholder who is present in person or by proxy or (being a corporation) is present by a representative shall have one vote for every Ordinary Share, save where the Ordinary Share is partly paid in which event that Ordinary Share shall have a fraction of a vote in proportion to the amounts paid up or credited as paid up (in respect of the nominal value of the Ordinary Shares) on the same, and

- (b) every 'B' Shareholder who is present in person or by proxy or (being a corporation) is present by a representative shall have a number of votes equal to X (rounded upwards to the nearest whole number), where X is calculated as follows.

$$X = T \times Z$$

where T is the aggregate total of all Ordinary Shares in issue as at the relevant time of the vote, and Z is the number obtained by dividing the number 5 (five) by 95 (ninety five), and

- 4.2.3 'A' Ordinary Shares shall attract no right to vote (whether on a show of hands, at a poll taken at a general meeting or on a vote taken on a written resolution)

4.3 For the purposes of Article 4.4 the following definitions shall apply.

"B Shareholder's Fixed Percentage" means 1.25%.

"Balance of Exit Proceeds" means, in respect of a given set of Exit Proceeds, the full amount of such Exit Proceeds less the amount of such Exit Proceeds to which the B Shareholders are entitled in accordance with Article 4.4(a) (and, for the avoidance of doubt, if there are no B Shares in issue then the Balance of Exit Proceeds shall be the full amount of such Exit Proceeds).

4.4. 4.3-As regards to Exit Proceeds

Subject to Articles 9.9, 9.10 and 9.11 on On an Exit the total of all and any form of consideration received or receivable by the holders of the Shares (or, in the case of an Asset sale, received or receivable by the Company) shall be allocated between the holders of the Shares as follows.

- (a) subject to Article 4.5, an amount equal to the B Shareholder's Fixed Percentage of the Exit Proceeds shall be allocated to the B Shareholders (if any) on a pari passu basis, and

- (b) subject to Article 4.6, the Balance of Exit Proceeds shall be allocated between the A Shareholders and the Ordinary Shareholders so as to ensure that the Balance of Exit Proceeds shall be allocated between the Ordinary Shareholders A Shares and the 'A' Shareholders Ordinary Shares, pari passu, as if they represented one class of shares

4.4- For the avoidance of doubt, the provisions of Article 4.3-4.4 shall also apply to any Share Sale that results in the application of Articles 4.12 and 4.13 (Tag Along and Drag Along)

- 4 5. Article 4.4(a) shall be subject to Articles 10.9, 10.10 and 10.11 and if any B Shareholder is entitled to a reduced amount of Exit Proceeds than she would have been entitled to but for such Articles (such reduced amount, the "Reduction of B Exit Proceeds"), then such Reduction of B Exit Proceeds shall be shall be distributable to the A Shareholders and the Ordinary Shareholders as part of the Balance of Exit Proceeds in accordance with Article 4.4(b).
- 4 6. Article 4.4(b) shall be subject to Articles 9.9, 9.10 and 9.11 and if a given A Shareholder is entitled to a reduced amount of Exit Proceeds than that A Shareholder would have been entitled to but for such Articles (such reduced amount, the "Reduction of A Exit Proceeds"), then such Reduction of A Exit Proceeds shall be allocated between the other A Shareholders and the Ordinary Shareholders, *pari passu*, as if the A Shares and the Ordinary Shares held by such Shareholders represented one class of shares.
- 4 7. 4-5–If the Exit is a Listing the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Auditors confirm in their opinion is fair and reasonable in the circumstances to ensure that the Exit Proceeds on the Listing will immediately following such reorganisation be reallocated between the Shareholders in the same proportions as such Shareholders would have received the Exit Proceeds had the Exit been a Share Sale and in accordance with Article ~~4-34.4~~ (as appropriate)
- 4 8. 4-6–Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, to or in respect of the Exit Proceeds pursuant to these Articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbiter and their costs will be borne as directed by the Auditors/independent accountants or if they fail to direct the Company. The written certificate of the Auditors/independent accountants (as appropriate) will be conclusive and binding on the Company and the Shareholders (except in the case of fraud or manifest error)

## 5 ISSUE OF NEW SHARES

- 5 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Ordinary Shareholders, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company
- 5 2 Subject to Articles 5 3 and 5 4, the Board is conditionally authorised, for the purposes of section 551 of the 2006 Act, to exercise any power of the Company to
- 5 2 1 offer or allot,
- 5 2 2 grant rights to subscribe for or to convert any security into,

5 2 3 otherwise deal in, or dispose of,

any Shares in the Company, as long as such Shares are first offered to each Ordinary Shareholder, on the same or more favourable terms, in a proportion of those securities that is as nearly as practicable equal to the proportion in nominal value held by him of the Ordinary Share capital of the Company Section 562 of the Act shall be followed for the process of the pre-emption offer

5 3 Subject to Article 5 4, the authority referred to in Article 5 2

5 3 1 shall be limited to a maximum nominal amount of £1,052 63, divided into

(a) 100,000 Ordinary Shares of £0 01 each, and

(b) 5,263 'A' Ordinary Shares of £0 01 each

5 3 2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and

5 3 3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Board may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Board may allot shares in pursuance of an offer or agreement as if such authority had not expired)

5 4 The Board is generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to offer or allot Shares solely in respect of Shares that are allotted pursuant to the exercise of options granted under the EMI Plan

5 5 In accordance with section 567(1) of the Act, section 561 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

## 6 ALTERATION OF SHARE CAPITAL

6 1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up only with the consent of the holders of 75% of the issued shares of that class (subject to Article 6 2)

6 2 For the purposes of Article ~~6 1~~, 6 1

6 2.1 any amendments of the special rights and restrictions attached to the 'A' Ordinary Shares shall also be considered an amendment to the special rights attached to the Ordinary Shares and the 'B' Ordinary Shares such that for the purposes of calculating whether 75% of the

issued shares of that classes consent, ~~both the holders of Ordinary Shares and 'A' Ordinary Shares shall be taken into account, the 'A' Ordinary Shares and 'B' Ordinary Shares shall be taken into account, and~~

6.2.2. any amendments of the special rights and restrictions attached to the 'B' Ordinary Shares shall also be considered an amendment to the special rights attached to the Ordinary Shares and the 'A' Ordinary Shares such that for the purposes of calculating whether 75% of the issued shares of that classes consent, the holders of Ordinary Shares, 'A' Ordinary Shares and 'B' Ordinary Shares shall be taken into account.

## **7 PROHIBITED TRANSFERS**

7 1 Notwithstanding anything else contained in these Articles, no Share shall be transferred

7 1 1 to any infant, bankrupt or person of unsound mind, or

7 1 2 if any such Share is partly paid, or

7 1 3 any competitor (as determined by the Board in its discretion)

## **8 PERMITTED TRANSFERS**

8 1 Save as provided in Article 8 2 and Article 8 3, the Board may in their absolute discretion decline to register any transfer of any Share whether or not it is a fully paid Share

8 2 The Board shall register the transfer of any Ordinary Share

8 2 1 subject to the transferring Shareholder first obtaining the written approval of the Board (such consent cannot be unreasonably withheld or delayed), and

8 2 2 made pursuant to Articles ~~44~~12 and ~~42~~13.

8 3 The Board shall register the transfer of any 'A' Ordinary Share or any 'B' Ordinary Share

8 3 1 subject to the transferring Shareholder first obtaining the written consent of the majority of the Ordinary Shareholders, or

8 3 2 made pursuant to Articles 9, ~~44~~12 and ~~42~~13.

8 4 The instrument of transfer of a Share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor

## 9 **COMPULSORY TRANSFERS – 'A' SHAREHOLDERS (EMPLOYEE MEMBERS)**

- 9.1 The provisions of this Article shall apply to any Leaver
- 9.2 A Leaver is deemed to have served a Deemed Transfer Notice in respect of all of his Shares (which shall for the purpose of this Article 9 also be referred to as "**Leaver's Shares**"), immediately upon him ceasing to be a Director and/or an Employee (or on exercise of the relevant option where part (b) of the definition of Leaver applies) and, for as long as the Leaver is a Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the Leaver
- 9.3 The Board has the further right to postpone any Leaver's Deemed Transfer Notice for such period as they determine
- 9.4 The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the Leaver empowered to sell the Leaver's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the "**Transfer Price**" (as defined in Article 9.5) on the terms of this Article 9. A Deemed Transfer Notice may not be revoked
- 9.5 The Transfer Price shall be calculated as follows

<b>Leaver Category</b>	<b>Transfer Price</b>
Bad Leaver	The price paid by the Leaver to acquire the Shares
Good Leaver	The Market Value of the Shares at the date of the Deemed Transfer Notice (as determined in accordance with Article 10.11)

- 9.6 As soon as practicable following the date of the Deemed Transfer Notice ("**Offer Date**"), the Board shall offer the Leaver's Shares to the parties as provided in Articles 9.7 to 9.8
- 9.7 The Board shall consider whether the Company shall purchase the Leaver's Shares at the Transfer Price within 28 days of the Offer Date ("**First Leaver Period**")
- If, at the end of the First Leaver Period, the Board decides on behalf of the Company not to purchase all of the Leaver's Shares, the balance ("**Initial Surplus Leaver's Shares**") shall be dealt with in accordance with Article 9.8
- 9.8 At the end of the First Leaver Period, the Board shall offer the Initial Surplus Leaver's Shares to all Ordinary Shareholders, inviting them to apply in writing within 28 days of the date of the offer ("**Second Leaver Period**") for the maximum number of Initial Surplus Leaver's Shares they wish to buy
- If, at the end of the Second Leaver Period, the number of Initial Surplus Leaver's Shares applied for is equal to or exceeds the number of Initial Surplus Leaver's

Shares, the Board shall allocate the Initial Surplus Leaver's Shares to each Ordinary Shareholder who has applied for Initial Surplus Leaver's Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Ordinary Shareholders who have applied for Initial Surplus Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to ~~any~~ Ordinary Shareholder of more than the maximum number of Initial Surplus Leaver's Shares which he has stated he is willing to buy.

If, at the end of the Second Leaver Period, the total number of Initial Surplus Leaver's Shares applied for is less than the number of Initial Surplus Leaver's Shares, the Board shall allocate the Initial Surplus Leaver's Shares to the Ordinary Shareholders in accordance with their applications. The balance shall be retained by the Leaver subject to any subsequent Deemed Transfer Notice pursuant to Article 9 2, ~~4412~~ and ~~4213~~.

- 9 9 In the event the Leaver's Shares are sold pursuant to Articles ~~4412~~ and ~~4213~~ the aggregate of the Exit Proceeds to be received by the Leaver shall not exceed the Transfer Price.
- 9 10 In the event of an Asset Sale the total Exit Proceeds to be received by the Leaver shall not exceed the Transfer Price.
- 9 11 The Transfer Price of the Leaver's Shares transferred pursuant to Articles 9, ~~4412~~ and ~~4213~~ shall be reduced on a pound for pound basis for any amount received by the Leaver pursuant to Article 9 10 (Asset Sale).
- 9 12 If allocations under Articles 9 7 to 9 8 have been made in respect of some or all of the Leaver's Shares, the Board shall give written notice of allocation ("**Allocation Notice**") to the Leaver and/or the Company and/or Ordinary Shareholders to whom Leaver's Shares have been allocated ("**Applicant**"). The Allocation Notice shall specify the number of Leaver's Shares allocated to each Applicant, the amount payable by each Applicant for the number of Leaver's Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer and/or purchase by the Company of the Leaver's Shares (which shall be not more than 28 days after the date of the Allocation Notice).
- 9 13 On the service of an Allocation Notice, the Leaver shall, against payment of the Consideration, transfer the Leaver's Shares allocated in accordance with the requirements specified in the Allocation Notice.

If the Leaver fails to comply with the requirements of the Allocation Notice

- 9 13 1 he shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) to be his agent or attorney to, on behalf of the Leaver
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Leaver's Shares to the Applicants and/or purchase of the Leaver's Shares by the Company by way of a purchase of own shares of

the Company in accordance with Part 18 of the Act, including but not limited to any buyback contract of own shares in connection therewith,

- (b) receive the Consideration and give a good discharge for it, and
- (c) (subject to the transfers and/or purchase of own shares contract being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

9 13 2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Leaver until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, 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

#### **10. COMPULSORY TRANSFERS – 'B' SHAREHOLDERS**

- 10.1. For the purpose of this clause 10 "B Leaver" means Lynn Rochelle Spathas, where either she or Mr Costandinos Spathas ceases to be either a Director or an employee of a Group Company.
- 10.2. A B Leaver is deemed to have served a Deemed Transfer Notice in respect of all of her 'B' Ordinary Shares (which shall for the purpose of this Article 10 also be referred to as "B Leaver's Shares") immediately upon her becoming a B Leaver and, for as long as the B Leaver is a 'B' Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the B Leaver.
- 10.3. The Board has the further right to postpone any B Leaver's Deemed Transfer Notice for such period as they determine.
- 10.4. The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the B Leaver empowered to sell the B Leaver's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the "B Transfer Price" (as defined in Article 10.5) on the terms of this Article 10. A Deemed Transfer Notice may not be revoked.
- 10.5. The B Transfer Price shall be the Market Value of the B Leaver's Shares at the date of the Deemed Transfer Notice (as determined in accordance with Article 11).
- 10.6. As soon as practicable following the date of the Deemed Transfer Notice ("B Offer Date"), the Board shall offer the B Leaver's Shares to the parties as provided in Articles 10.7 to 10.13.
- 10.7. The Board shall consider whether the Company shall purchase by way of a purchase of own shares under Part 18 of the Act all (but for the avoidance of doubt,



not some only) of the B Leaver's Shares at the B Transfer Price within 28 days of the B Offer Date ("First B Leaver Period").

If, at the end of the First B Leaver Period, the Board decides on behalf of the Company not to purchase all of the B Leaver's Shares, the balance ("Initial Surplus B Leaver's Shares") shall be dealt with in accordance with Article 10.8.

10.8. At the end of the First B Leaver Period, the Board shall offer the Initial Surplus B Leaver's Shares to all Ordinary Shareholders, inviting them to apply in writing within 28 days of the date of the offer ("Second B Leaver Period") for the maximum number of Initial Surplus B Leaver's Shares they wish to buy.

If, at the end of the Second B Leaver Period, the number of Initial Surplus B Leaver's Shares applied for is equal to or exceeds the number of Initial Surplus B Leaver's Shares, the Board shall allocate the Initial Surplus B Leaver's Shares to each Ordinary Shareholder who has applied for Initial Surplus B Leaver's Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Ordinary Shareholders who have applied for Initial Surplus B Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to an Ordinary Shareholder of more than the maximum number of Initial Surplus B Leaver's Shares which he has stated he is willing to buy.

If, at the end of the Second B Leaver Period, the total number of Initial Surplus B Leaver's Shares applied for is less than the number of Initial Surplus B Leaver's Shares, the Board shall allocate the Initial Surplus B Leaver's Shares to the Ordinary Shareholders in accordance with their applications. The balance shall be retained by the B Leaver subject to any subsequent Deemed Transfer Notice pursuant to Article 10.2, 12 and 13.

10.9. In the event the B Leaver's Shares are sold pursuant to Articles 12 and 13 the aggregate of the Exit Proceeds to be received by the B Leaver shall not exceed the B Transfer Price.

10.10. In the event of an Asset Sale the total Exit Proceeds to be received by the B Leaver shall not exceed the B Transfer Price.

10.11. The Transfer Price of the B Leaver's Shares transferred pursuant to Articles 10, 12 and 13 shall be reduced on a pound for pound basis for any amount received by the B Leaver pursuant to Article 10.10 (Asset Sale).

10.12. If allocations under Articles 10.7 to 10.8 have been made in respect of some or all of the B Leaver's Shares, the Board shall give written notice of allocation ("B Allocation Notice") to the B Leaver and/or the Company and/or Ordinary Shareholders to whom the B Leaver's Shares have been allocated ("B Applicant"). The B Allocation Notice shall specify the number of the B Leaver's Shares allocated to each B Applicant, the amount payable by each B Applicant for the number of B Leaver's Shares allocated to him ("B Consideration") and the place and time for completion of the transfer of the B Leaver's Shares (which shall be not more than 28 days after the date of the B Allocation Notice).

10.13. On the service of a B Allocation Notice, the B Leaver shall, against payment of the B Consideration, transfer the B Leaver's Shares allocated in accordance with the requirements specified in the B Allocation Notice.

If the B Leaver fails to comply with the requirements of the B Allocation Notice,

10.13.1. she shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) to be her agent or attorney to, on behalf of the B Leaver,

(a) complete, execute and deliver in her name all documents necessary to give effect to the transfer of the relevant B Leaver's Shares to the B Applicants and/or purchase of the B Leaver's Shares by the Company by way of a purchase of own shares of the Company in accordance with Part 18 of the Act, including but not limited to any buyback contract of own shares in connection therewith,

(b) receive the Consideration and give a good discharge for it, and

(c) (subject to the transfers and/or purchase of own shares contract being duly stamped) register the cancellation of the Shares bought back pursuant to this Article 10, and

10.13.2. the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the B Leaver until she has delivered her certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, 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.

## **11. 40-SHARE VALUATION**

11.1. With regards to,

11.1.1. a sale of Shares pursuant to Article 9, in the absence of a determination in accordance with Article 9.5, and

11.1.2. a sale of 'B' Ordinary Shares pursuant to Article 10.

~~40-1~~ In the absence of a determination in accordance with Article 9.5 the Board shall instruct the Auditors to certify the "Market Value" of Shares in the capital of the Company. In determining the Market Value the Auditors shall value the Company on a going concern basis on the assumption of an arm's length sale of the Company between a willing seller and a willing buyer taking into account whether or not the Shares in question represent a minority holding in the Company.

11.2. ~~40-2~~—The Auditors shall be considered to be acting as experts and not as arbitrators and their decision shall (save in the case of manifest error) be final and binding. The reasonable costs of the Auditors shall be borne by the Company. Where the Auditors refuse to give the opinion or certificate required of them the matter shall be referred to an independent firm of chartered accountants agreed by the Shareholders or failing agreement within 7 days a firm selected by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any Shareholder.

## 12. ~~41~~—TAG ALONG RIGHTS ON A CHANGE OF CONTROL

12.1. ~~41-1~~—The provisions of this Article ~~41~~12 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer ("**Proposed Transfer**") any of their Shares ("**Transfer Shares**") which would, if carried out, result in any person ("**Buyer**"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.

12.2. ~~41-2~~—In the event that a Buyer was acquiring a Controlling Interest in the Company, a Seller or Sellers shall procure that the Buyer makes an offer ("**Offer**") to the remaining Shareholders ("**Minority Shareholders**") to purchase the same proportion of Shares as the Buyer is purchasing of the Seller or Sellers for a consideration in cash per Share that is equal to the cash per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, for the Transfer Shares ("**Specified Price**")

12.3. ~~41-3~~—The Offer shall be given by written notice ("**Offer Notice**"), at least 2 weeks ("**Offer Period**") before the proposed sale date ("**Sale Date**"). To the extent not described in any accompanying documents, the Offer Notice shall set out

12.3.1. ~~41-3-1~~—the identity of the Buyer,

12.3.2. ~~41-3-2~~—the Specified Price and other terms and conditions of payment,

12.3.3. ~~41-3-3~~—the Sale Date, and

12.3.4. ~~41-3-4~~—the number of Shares proposed to be purchased by the Buyer ("**Minority Offer Shares**")

12.4. ~~41-4~~—If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with Articles ~~41-1~~12.1 to ~~41-3~~12.3, the Seller or Sellers shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

12.5. ~~41-5~~—If the Offer is accepted by any Minority Shareholders ("**Accepting Minority Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Minority Offer Shares held by Accepting Minority Shareholders.

## 13. ~~42~~—DRAG ALONG RIGHTS

13.1. ~~42-1~~ If the holders of 50% of the Ordinary Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the Shares ("**Selling Shareholders' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all other Shareholders ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**")

13.2. ~~42-2~~ The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Selling Shareholders' Shares to the Proposed Buyer. The Drag Along Notice shall specify

13.2.1. ~~42-2-1~~ that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article ~~42-13~~.

13.2.2. ~~42-2-2~~ the person to whom the Called Shares are to be transferred,

13.2.3. ~~42-2-3~~ the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Proposed Buyer for the Selling Shareholders' Shares, and

13.2.4. ~~42-2-4~~ the proposed date of the transfer

13.3. ~~42-3~~ Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Selling Shareholders' Shares to the Proposed Buyer within 28 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.

13.4. ~~42-4~~ No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article ~~42-2-13~~.

13.5. ~~42-5~~ Completion of the sale of the Called Shares shall take place on the Completion Date (as defined below). "**Completion Date**" means the date proposed for completion of the sale of the Selling Shareholders' Shares unless

13.5.1. ~~42-5-1~~ all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or

13.5.2. ~~42-5-2~~ that date is less than 14 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be 14 days after service of the Drag Along Notice.

13.6. ~~42-6~~ Within 14 days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date,

the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article ~~42-2-3~~13.2.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article ~~42-2-3~~13.2.3 in trust for the Called Shareholders without any obligation to pay interest.

13.7. ~~42-7-~~To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article ~~42-2-3~~13.2.3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article ~~42-13~~ in respect of their Shares.

13.8. ~~42-8-~~If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article ~~42-13~~.

13.9. ~~42-9-~~Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article ~~42-13~~ shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

#### 14. ~~43-~~**CALLING A BOARD MEETING**

14.1. ~~43-1-~~Any Director may call a Board meeting by giving reasonable notice of the meeting to the Board or by authorising the company secretary (if any) to give such notice.

14.2. ~~43-2-~~Notice of a Board meeting must be sent to every Director, including Directors who are absent from the United Kingdom.

14.3. ~~43-3-~~Article 9 of the Model Articles shall be modified accordingly.

**15.    ~~44~~–QUORUM FOR BOARD MEETINGS**

15.1.    ~~44-1~~–Subject to Article ~~44-1~~, 15.2, the quorum for the transaction of business at a Board meeting is any one eligible Director

15.2.    ~~44-2~~–For the purposes of any meeting (or part of a meeting) held pursuant to Article ~~46-6~~18 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

**16.    ~~45~~–PROCEEDINGS AT BOARD MEETINGS**

16.1.    ~~45-1~~–Any Director or his alternate may validly participate in a Board meeting or a committee of Directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these Articles). Subject to the Act, all business transacted in such manner by the Board or a committee of the Directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

**17.    ~~46~~–TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

Subject to 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

17.1.    ~~46-1~~–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,

17.2.    ~~46-2~~–shall be an eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he is interested,

17.3.    ~~46-3~~–shall be entitled to vote at a Board meeting (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,

17.4.    ~~46-4~~–may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

17.5. ~~46-5~~—may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, anybody corporate in which the Company is otherwise (directly or indirectly) interested, and

17.6. ~~46-6~~—shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

## 18. ~~47~~—DIRECTORS' CONFLICTS OF INTEREST

18.1. ~~47-1~~—The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**")

18.2. ~~47-2~~—Any authorisation under this Article ~~46-6~~18 will be effective only if

18.2.1. ~~47-2-1~~—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 Board under the provisions of these Articles or in such other manner as the Board may determine,

18.2.2. ~~47-2-2~~—any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and

18.2.3. ~~47-2-3~~—the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

18.3. ~~47-3~~—Any authorisation of a Conflict under this Article ~~46-6~~18 may (whether at the time of giving the authorisation or subsequently)

18.3.1. ~~47-3-1~~—extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

18.3.2. ~~47-3-2~~—provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board meetings or otherwise) related to the Conflict,

18.3.3. ~~47-3-3~~—provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict,

18.3.4. ~~47-3-4~~ impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit,

18.3.5. ~~47-3-5~~ provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and

18.3.6. ~~47-3-6~~ permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters

18.4. ~~47-4~~ Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict

18.5. ~~47-5~~ The Board 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

18.6. ~~47-6~~ In authorising a Conflict the Board 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

18.6.1. ~~47-6-1~~ disclose such information to the Board or to any Director or other officer or employee of the Company, or

18.6.2. ~~47-6-2~~ 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

18.7. ~~47-7~~ 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 Board 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

## 19. ~~48~~ RECORDS OF DECISIONS TO BE KEPT

Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye



**20.    ~~49~~—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 one

**21.    ~~20~~—APPOINTMENT & REMOVAL OF DIRECTORS**

21.1.    ~~20-1~~—No person shall be or become incapable of being appointed a Director by reason of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age

21.2.    ~~20-2~~—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

**22.    ~~24~~—APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

22.1.    ~~24-1~~—Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by resolution of the Board, to

22.1.1.        ~~24-1-1~~—exercise that Director's powers, and

22.1.2.        ~~24-1-2~~—carry out that Director's responsibilities,

in relation to the taking of decisions by the Board, in the absence of the alternate's appointor

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 Board

22.2.    ~~24-2~~—The notice must

22.2.1.        ~~24-2-1~~—identify the proposed alternate, and

22.2.2.        ~~24-2-2~~—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

**23.    ~~22~~—RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

23.1.    ~~22-1~~—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 Board as the alternate's appointor

23.2.    ~~22-2~~—Except as the Articles specify otherwise, alternate Directors

23.2.1. ~~22-2-1~~ are deemed for all purposes to be Directors,

23.2.2. ~~22-2-2~~ are liable for their own acts and omissions,

23.2.3. ~~22-2-3~~ are subject to the same restrictions as their appointors, and

23.2.4. ~~22-2-4~~ 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 Board meetings and of all meetings of committees of Directors of which his appointor is a member

A person who is an alternate Director but not a Director

23.2.5. ~~22-2-5~~ 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),

23.2.6. ~~22-2-6~~ may participate in a unanimous decision of the Board (but only if his appointor is an eligible Director in relation to that decision, but does not participate), and

23.2.7. ~~22-2-7~~ shall not be counted as more than one Director for the purposes of Articles 9, ~~22-2-5~~ 18, 23.2.5 and ~~22-2-6~~ 23.2.6.

23.3. ~~22-3~~—A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Board (provided that his appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present

23.4. ~~22-4~~—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

## **24. ~~23~~—TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate Director's appointment as an alternate terminates

24.1. ~~23-1~~—when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

24.2. ~~23-2~~—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,

24.3. ~~23-3~~—on the death of the alternate's appointor, or

24.4. ~~23-4~~—when the alternate's appointor's appointment as a Director terminates

**25. ~~24~~—BORROWING POWERS**

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

**26. ~~25~~—SECRETARY**

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Board so decide, appoint a replacement, in each case by a decision of the Board

**27. ~~26~~—GENERAL MEETINGS**

Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act

**28. ~~27~~—POLL VOTES**

28.1 ~~27-1~~—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 ~~27-2~~—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. ~~28~~—PROXIES**

29.1. ~~28-1~~—Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate"

29.2 ~~28-2~~—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 Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

29.3. ~~28-3~~—Proxies must be deposited at the registered office of the Company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general

meeting all proxy forms relating to that general meeting must be deposited at the registered office of the Company

29.4. ~~28.4~~—Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he or she were present in person

### 30. ~~29~~—SINGLE SHAREHOLDER COMPANY

30.1 ~~29.1~~—If, and for so long as, the Company has only one Shareholder, the following provisions shall apply

30.1.1. ~~29.1.1~~—The sole Shareholder of the Company (or the proxy or authorised representative of the sole Shareholder representing that Shareholder at the relevant general meeting) shall be the chairman of any general meeting of the Company and Article 39 of the Model Articles shall be modified accordingly

30.1.2. ~~29.1.2~~—All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a Company which has only one Shareholder

### 31. ~~30~~—SHARES

The Company may issue shares for less than the aggregate of their nominal value

### 32. ~~31~~—LIEN, CALLS ON SHARES AND FORFEITURE

32.1. ~~31.1~~—The Company has a lien (the "**Company's Lien**") over every share (whether fully paid up or not) which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

32.2. ~~31.2~~—The provisions of Articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those Articles to a "member" or "members" shall be deemed to be references to a "shareholder" or "shareholders" (as the case may be)

32.3. ~~31.3~~—Enforcement of the Company's Lien

32.3.1. ~~31.3.1~~—Subject to the provisions of this Article ~~31.3~~, 32.3, if

- (a) a Lien Enforcement Notice has been given in respect of a share, and

- (b) the person to whom the notice was given has failed to comply with it,

the company may sell that share in such manner as the directors decide

#### 32.3.2.

#### ~~31-3-2~~–A Lien Enforcement Notice

- (a) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must be addressed either to the holder of the share or to a transferee of that holder, and
- (e) must state the company's intention to sell the share if the notice is not complied with

#### 32.3.3.

#### ~~31-3-3~~–Where shares are sold under this Article ~~31-3~~32.3

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

#### 32.3.4.

#### ~~31-3-4~~–The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice

32.3.5. ~~31.3.5~~—A statutory declaration by a director that the declarant is a director and that a share has been sold to satisfy the Company's Lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

32.4. ~~31.4~~—Call notices

32.4.1. ~~31.4.1~~—Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "**Call Notice**") to a shareholder requiring the shareholder to pay the company a specified sum of money (a "**Call**") which is payable to the company at the date when the directors decide to send the Call Notice

32.4.2. ~~31.4.2~~—A Call Notice

- (a) may not require a shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the company,
- (b) must state when and how any Call to which it relates is to be paid, and
- (c) may permit or require the Call to be made in instalments

32.4.3. ~~31.4.3~~—A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

32.4.4. ~~31.4.4~~—Before the company has received any Call due under a Call Notice the directors may

- (a) revoke it wholly or in part, or
  - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the shareholder in respect of whose shares the Call is made

32.4.5. ~~31.4.5~~—A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share

- (a) on allotment,

- (b) on the occurrence of a particular event, or
- (c) on a date fixed by or in accordance with the terms of issue

### 32.5. ~~31-5~~–Forfeiture

32.5.1. ~~31-5-1~~–If a person is liable to pay a Call and falls to do so by the Call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate

32.5.2. ~~31-5-2~~–A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice,
- (b) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder,
- (c) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited

## 33. ~~32~~–MEANS OF COMMUNICATION TO BE USED

33.1. ~~32-1~~–Any notice, document or other information shall be deemed served on or delivered to the intended recipient

33.1.1. ~~32-1-1~~–if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from 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)

33.1.2. ~~32-1-2~~–if properly addressed and delivered by hand, when it was given or left at the appropriate address,

33.1.3. ~~32.1.3~~—if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied,

33.1.4. ~~32.1.4~~—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, or, if earlier,

33.1.5. ~~32.1.5~~—as soon as the member acknowledges actual receipt

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

33.2. ~~32.2~~—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

33.3. ~~32.3~~—A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called

#### 34. ~~33~~—INDEMNITY

34.1. ~~33.1~~—Subject to Article ~~33.1.2~~, 34.1.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

34.1.1. ~~33.1.1~~—each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and
- (b) 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 in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs, and

34.1.2. ~~33.1.2~~—the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article ~~33~~, ~~33.1.1~~ 34.



34.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

34.2 ~~33.2~~—This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

34.3 ~~33.3~~—In this Article

34.3.1. ~~33.3.1~~—companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

34.3.2. ~~33.3.2~~—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)

## **35. 34—INSURANCE**

35.1. ~~34.1~~—The Board 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

35.2. ~~34.2~~—In this Article

35.2.1. ~~34.2.1~~—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),

35.2.2. ~~34.2.2~~—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

35.2.3. ~~34.2.3~~—companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**of**

**ARDENTA LIMITED**

**(Company number 04181041)**

**(Adopted by Special Resolution passed on 30 November 2011 and amended by Special Resolution passed on 5 May 2015)**

---

**Articles of Association**

## CONTENTS

ARTICLE	Page
1 PRELIMINARY	2
2 PRIVATE COMPANY	2
3 INTERPRETATION	2
4 SHARE CAPITAL	6
5 ISSUE OF NEW SHARES	9
6 ALTERATION OF SHARE CAPITAL	10
7 PROHIBITED TRANSFERS	11
8 PERMITTED TRANSFERS	11
9 COMPULSORY TRANSFERS – 'A' SHAREHOLDERS (EMPLOYEE MEMBERS)	11
10 COMPULSORY TRANSFERS – 'B' SHAREHOLDERS	14
11 SHARE VALUATION	16
12 TAG ALONG RIGHTS ON A CHANGE OF CONTROL	16
13 DRAG ALONG RIGHTS	17
14 CALLING A BOARD MEETING	19
15 QUORUM FOR BOARD MEETINGS	19
16 PROCEEDINGS AT BOARD MEETINGS	19
17 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY	20
18 DIRECTORS' CONFLICTS OF INTEREST	20
19 RECORDS OF DECISIONS TO BE KEPT	22
20 NUMBER OF DIRECTORS	22
21 APPOINTMENT & REMOVAL OF DIRECTORS	22
22 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS	23
23 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS	23
24 TERMINATION OF ALTERNATE DIRECTORSHIP	24
25 BORROWING POWERS	24
26 SECRETARY	24
27 GENERAL MEETINGS	25
28 POLL VOTES	25
29 PROXIES	25
30 SINGLE SHAREHOLDER COMPANY	25
31 SHARES	26
32 LIEN, CALLS ON SHARES AND FORFEITURE	26
33 MEANS OF COMMUNICATION TO BE USED	29
34 INDEMNITY	30
35 INSURANCE	30

## **1. PRELIMINARY**

- 1 1 In these Articles "**Model Articles**" means the Model Articles in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008 No 3229) and as otherwise amended prior to the adoption of these Articles. 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.
- 1 2 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1 3 Articles 9(1), 11(2), 13, 14(1), (2), (3) and (4), 17(2), 21, 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1 4 Article 7 of the Model Articles shall be amended by
  - 1 4 1 the insertion of the words "for the time being" at the end of Article 7(2)(a), and
  - 1 4 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"
- 1 5 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate Directors) and the secretary (if any)" before the words "properly incur"
- 1 6 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 7 Article 27(3) of the Model Articles shall be amended by the insertion of the words", subject to Article 22," after the word "But"
- 1 8 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)," after the words "the transmittee's name"
- 1 9 Articles 31(1)(a) to (d) (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"

## **2 PRIVATE COMPANY**

The Company is a private company within the meaning of section 4(1) of the Companies Act 2006

## **3 INTERPRETATION**

- 3 1 In these Articles unless the context otherwise requires, the following expressions have the following meanings

**Act** means the Companies Act 2006, and every statutory modification, re-enactment or replacement of that Act for the time being in force on the date of adoption of these Articles,

**'A' Ordinary Shares** means the 'A' Ordinary Shares of £0.01 each in the share capital of the Company from time to time,

**'A' Shareholders** means the registered holders of 'A' Ordinary Shares,

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

**Asset Sale** means the sale of the whole or substantially the whole of the business and assets of the Company,

**Asset Sale Date** means the date of the Asset Sale,

**Auditors** means the auditors from time to time appointed by the Company and/or such other firm of accountants as the Board may from time to time select,

**Bad Leaver** means a Leaver who is not a Good Leaver,

**Balance of Exit Proceeds** has the meaning given to that term in Article 4.3,

**'B' Ordinary Shares** means the 'B' Ordinary Shares of £0.10 (ten pence) each in the share capital of the Company from time to time,

**'B' Shareholders** means the registered holders of the 'B' Ordinary Shares,

**B Shareholder's Fixed Percentage** has the meaning given to that term in Article 4.3,

**Board** means the board of Directors of the Company from time to time,

**Controlling Interest** means an interest in shares in the Company conferring in the aggregate 50% or more of the total voting rights conferred by all the Shares,

**Deemed Transfer Notice** means a Transfer Notice deemed to be given under any provision of these Articles,

**Director** a director for the time being of the Company,

**EMI Plan** means the Ardent Enterprise Management Incentive Plan adopted by the Board on or about the date of adoption of these Articles,

**Employee** means an employee of the Company,

**Employee Member** means a Director and/or Employee who is an 'A' Shareholder but not an Ordinary Shareholder,

**Exit** means an Asset Sale, Share Sale, Listing or Liquidation,

**Exit Date** means an Asset Sale Date, a Listing Date, a Sale Date or a Liquidation Date, as appropriate,

**Exit Proceeds** means

- (a) in the case of a Listing, the valuation placed on all of the Shares on the Listing Date, as shown in the prospectus or listing particulars published in connection with the Listing, excluding the gross amount of any new money raised by the Company in connection with the Listing from a subscription for new shares, or
- (b) in the case of a Share Sale, the aggregate price or value of the consideration to be paid for all of the Shares subject to the Share Sale,
- (c) in the case of a Liquidation, the proceeds available for distribution to the Shareholders as holders of Shares, or
- (d) in the case of an Asset Sale, the aggregate amount of the consideration received by the Company

in each case after payment of all costs and expenses incurred in connection with the Exit by the Shareholders and, to the extent that such deductions have not already been taken into account in determining the value of the Shares and any dispute as to the amount of the Exit Proceeds for the purposes of these Articles will be determined in accordance with Article 4.8,

**Good Leaver** means a Leaver due to Ill-health or Injury, death, or retirement in accordance with the terms of the Leaver's contract of employment or an Employee Member who becomes so after becoming a Leaver in the circumstances referred to within part (b) of the definition of Leaver or an Employee Member who becomes a Leaver for any other reason where the Board determines such Employee should be treated as a Good Leaver for the purposes of these Articles,

**Group** means the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and **Group Company** shall be construed accordingly

**Ill-health or Injury** means ill-health or injury which in the opinion of the Board (having requested such evidence as it may require) has resulted in the Employee ceasing to be capable to carry out the duties for which he is employed,

**Leaver** means an Employee Member who ceases to be a Director and/or Employee and/or (b) an Employee Member who exercises an option after having so ceased and where such exercise occurs pursuant to the Board exercising its discretion under Rule 4.4 or Rule 4.6 of the EMI Plan,

**Liquidation** means the passing of a resolution for the winding-up of the Company,

**Liquidation Date** means the date of a Liquidation,

**Listing** the successful application and admission of all or any of the Shares in the capital of the Company, or securities representing such shares (including American depositary receipts, American depositary shares and/or other instruments to the Official List of the UK Listing Authority or on the AIM market operated by the London Stock Exchange plc, or the Nasdaq National Stock Market of the Nasdaq Stock Market Inc or to any recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000 (as amended)))

**Listing Date** means the date on which the Listing of all or any of the Shares first becomes effective,

**Market Value** as provided in Article 11,

**Ordinary Shares** means the Ordinary Shares of £0.01 each in the share capital of the Company or such other shares representing or deriving from the same from time to time (and which shall, for the avoidance of doubt, exclude 'A' Ordinary Shares and 'B' Ordinary Shares),

**Ordinary Shareholders** means the registered holders of Ordinary Shares,

**Paid up** means, in relation to a share, paid up or credited as paid up,

**Reduction of A Exit Proceeds** has the meaning given to that term in Article 4.6,

**Reduction of B Exit Proceeds** has the meaning given to that term in Article 4.5,

**Sale Date** means the date of the Share Sale,

**Share** means a share in the capital of the Company of whatever class and "Shares" shall be construed accordingly,

**Share Sale** means the sale of Shares to any person resulting in that person together with any person Acting in Concert with such person holding a Controlling Interest,

**Shareholders** shall mean a holder of any Shares, and

**Transfer Notice** a notice in writing given by any Shareholder to the Company where that shareholder desires, or is required by these Articles, to transfer (or enter into an agreement to transfer) any shares. Where such notice is deemed to have been served, it shall be referred to as a **Deemed Transfer Notice**

- 3.2 In these Articles, words or expressions, the definitions of which are contained or referred to in the Act, shall be construed as having the meaning thereby attributed to them but excluding any statutory modification thereof not in force on the date of adoption of these Articles

3 3 In these Articles, words importing the singular include (where appropriate) the plural, words importing any gender include (where appropriate) every gender, and words importing persons include (where appropriate) bodies corporate and unincorporate, and (in each case) vice versa

3 4 In these Articles, in relation to any member, references to any English legal term for any action, remedy, method of judicial proceeding, insolvency proceeding, event of incapacity, legal status, court, governmental or administrative authority or agency, official or any legal concept, practice or principle or thing shall in respect of any jurisdiction other than England where that member is domiciled, resident, incorporated or carries on business be deemed to include what most approximates in that jurisdiction to the English legal term concerned

#### **4 SHARE CAPITAL**

The rights attaching to the respective classes of Shares shall be as follows

4 1 As regards dividends

4 1 1 Subject to Article 4 1 4 and Article 4 1 6 in each case

(a) with regards to interim dividends, the Directors may declare interim dividends in accordance with the Model Articles but the total amount of any interim dividend will be allocated between the classes of the Ordinary Shares and the 'B' Ordinary Shares in such proportions as the Directors may determine in their absolute discretion, provided that the amount of an interim dividend allocated to a given class of Shares in accordance with this Article shall be paid between the holders of that class of Shares on a pro-rata basis, and

(b) with regards to final dividends, the profits of the Company available for distribution shall be applied to the extent that the profits for distribution are resolved to be distributed by the Shareholders in general meeting in paying the amount thereof to the holders of Ordinary Shares (excluding for the avoidance of doubt 'A' Ordinary Shares and 'B' Ordinary Shares) in the manner and in the amounts determined by the majority of the Ordinary Shareholders in general meeting,

4 1 2 Ordinary Shares shall (in addition to any other distribution rights they may have under these Articles) be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale In the event of such distribution, the Ordinary Shares shall have the rights outlined in Article 4 4 below,

4 1 3 'A' Ordinary Shares shall only be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale In the event of such distribution, the 'A' Ordinary Shares shall have the rights outlined in Article 4 4 below,



4 1 4 save in respect of Article 4 1 3, the 'A' Ordinary Shares shall attract no right to receive dividends and/or distributions,

4 1 5 'B' Ordinary Shares shall be entitled to dividends where the Company is distributing Exit Proceeds from an Asset Sale. In the event of such distribution, the 'B' Ordinary Shares shall have the rights outlined in Article 4 4 below, and

4 1 6 save in respect of Article 4 1 5 and 4 1 1(a), the 'B' Ordinary Shares shall attract no right to receive dividends and/or distributions

4 2 As regards voting

4 2 1 on a show of hands

(a) every Ordinary Shareholder who (being an individual) is present in person (or being a corporation) is present by a representative or present by proxy (not being himself an Ordinary Shareholder) shall (except as hereinafter provided) have one vote,

(b) each 'B' Shareholder who (being an individual) is present in person or (being a corporation) is present by a representative or present by proxy (not being himself a 'B' Shareholder) shall (except as hereinafter provided) have a number of votes equal to X (rounded upwards to the nearest whole number), where X is calculated as follows

$$X = Y \times Z$$

where Y is the aggregate total number of votes held by those Ordinary Shareholders voting on the show of hands, and Z is the number obtained by dividing the number 5 (five) by 95 (ninety five)

4 2 2 on a poll taken at a general meeting or on a vote on a written resolution

(a) every Ordinary Shareholder who is present in person or by proxy or (being a corporation) is present by a representative shall have one vote for every Ordinary Share, save where the Ordinary Share is partly paid in which event that Ordinary Share shall have a fraction of a vote in proportion to the amounts paid up or credited as paid up (in respect of the nominal value of the Ordinary Shares) on the same, and

(b) every 'B' Shareholder who is present in person or by proxy or (being a corporation) is present by a representative shall have a number of votes equal to X (rounded upwards to the nearest whole number), where X is calculated as follows

$$X = T \times Z$$

where T is the aggregate total of all Ordinary Shares in issue as at the relevant time of the vote, and Z is the number obtained by dividing the number 5 (five) by 95 (ninety five), and

4 2 3 'A' Ordinary Shares shall attract no right to vote (whether on a show of hands, at a poll taken at a general meeting or on a vote taken on a written resolution)

4 3 For the purposes of Article 4 4 the following definitions shall apply

**"B Shareholder's Fixed Percentage"** means 1 25%

**"Balance of Exit Proceeds"** means, in respect of a given set of Exit Proceeds, the full amount of such Exit Proceeds less the amount of such Exit Proceeds to which the B Shareholders are entitled in accordance with Article 4 4(a) (and, for the avoidance of doubt, if there are no B Shares in issue then the Balance of Exit Proceeds shall be the full amount of such Exit Proceeds)

4 4 As regards to Exit Proceeds

On an Exit the total of all and any form of consideration received or receivable by the holders of the Shares (or, in the case of an Asset sale, received or receivable by the Company) shall be allocated between the holders of the Shares as follows

- (a) subject to Article 4 5, an amount equal to the B Shareholder's Fixed Percentage of the Exit Proceeds shall be allocated to the B Shareholders (if any) on a pari passu basis, and
- (b) subject to Article 4 6, the Balance of Exit Proceeds shall be allocated between the A Shareholders and the Ordinary Shareholders so as to ensure that the Balance of Exit Proceeds shall be allocated between the A Shares and the Ordinary Shares, pari passu, as if they represented one class of shares

For the avoidance of doubt, the provisions of Article 4 4 shall also apply to any Share Sale that results in the application of Articles 12 and 13 (Tag Along and Drag Along)

4 5 Article 4 4(a) shall be subject to Articles 10 9, 10 10 and 10 11 and if any B Shareholder is entitled to a reduced amount of Exit Proceeds than she would have been entitled to but for such Articles (such reduced amount, the **"Reduction of B Exit Proceeds"**), then such Reduction of B Exit Proceeds shall be distributable to the A Shareholders and the Ordinary Shareholders as part of the Balance of Exit Proceeds in accordance with Article 4 4(b)

4 6 Article 4 4(b) shall be subject to Articles 9 9, 9 10 and 9 11 and if a given A Shareholder is entitled to a reduced amount of Exit Proceeds than that A Shareholder would have been entitled to but for such Articles (such reduced amount, the **"Reduction of A Exit Proceeds"**), then such Reduction of A Exit Proceeds shall be allocated between the other A Shareholders and the Ordinary

Shareholders, *pari passu*, as if the A Shares and the Ordinary Shares held by such Shareholders represented one class of shares

- 4 7 If the Exit is a Listing the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Auditors confirm in their opinion is fair and reasonable in the circumstances to ensure that the Exit Proceeds on the Listing will immediately following such reorganisation be reallocated between the Shareholders in the same proportions as such Shareholders would have received the Exit Proceeds had the Exit been a Share Sale and in accordance with Article 4 4 (as appropriate)
- 4 8 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, or as to amount, to or in respect of the Exit Proceeds pursuant to these Articles, will be referred immediately to the Auditors for final determination. If the Auditors decline to act in respect of any such referral, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbiter and their costs will be borne as directed by the Auditors/independent accountants or if they fail to direct the Company. The written certificate of the Auditors/independent accountants (as appropriate) will be conclusive and binding on the Company and the Shareholders (except in the case of fraud or manifest error)

## **5 ISSUE OF NEW SHARES**

- 5 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the Ordinary Shareholders, the Board shall not exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares in the Company
- 5 2 Subject to Articles 5 3 and 5 4, the Board is conditionally authorised, for the purposes of section 551 of the 2006 Act, to exercise any power of the Company to
- 5 2 1 offer or allot,
- 5 2 2 grant rights to subscribe for or to convert any security into,
- 5 2 3 otherwise deal in, or dispose of,
- any Shares in the Company, as long as such Shares are first offered to each Ordinary Shareholder, on the same or more favourable terms, in a proportion of those securities that is as nearly as practicable equal to the proportion in nominal value held by him of the Ordinary Share capital of the Company. Section 562 of the Act shall be followed for the process of the pre-emption offer
- 5 3 Subject to Article 5 4, the authority referred to in Article 5 2

- 5 3 1 shall be limited to a maximum nominal amount of £1,052 63, divided into
- (a) 100,000 Ordinary Shares of £0 01 each, and
- (b) 5,263 'A' Ordinary Shares of £0 01 each
- 5 3 2 shall only apply insofar as the Company has not renewed, waived or revoked it by ordinary resolution, and
- 5 3 3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Board may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Board may allot shares in pursuance of an offer or agreement as if such authority had not expired)
- 5 4 The Board is generally and unconditionally authorised, for the purposes of section 551 of the 2006 Act and generally, to exercise any power of the Company to offer or allot Shares solely in respect of Shares that are allotted pursuant to the exercise of options granted under the EMI Plan
- 5 5 In accordance with section 567(1) of the Act, section 561 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

## **6 ALTERATION OF SHARE CAPITAL**

- 6 1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or in contemplation of a winding up only with the consent of the holders of 75% of the issued shares of that class (subject to Article 6 2)
- 6 2 For the purposes of Article 6 1
- 6 2 1 any amendments of the special rights and restrictions attached to the 'A' Ordinary Shares shall also be considered an amendment to the special rights attached to the Ordinary Shares and the 'B' Ordinary Shares such that for the purposes of calculating whether 75% of the issued shares of that classes consent, the holders of Ordinary Shares, the 'A' Ordinary Shares and 'B' Ordinary Shares shall be taken into account, and
- 6 2 2 any amendments of the special rights and restrictions attached to the 'B' Ordinary Shares shall also be considered an amendment to the special rights attached to the Ordinary Shares and the 'A' Ordinary Shares such that for the purposes of calculating whether 75% of the issued shares of that classes consent, the holders of Ordinary Shares, 'A' Ordinary Shares and 'B' Ordinary Shares shall be taken into account

## **7 PROHIBITED TRANSFERS**

7 1 Notwithstanding anything else contained in these Articles, no Share shall be transferred

7 1 1 to any infant, bankrupt or person of unsound mind, or

7 1 2 if any such Share is partly paid, or

7 1 3 any competitor (as determined by the Board in its discretion)

## **8 PERMITTED TRANSFERS**

8 1 Save as provided in Article 8 2 and Article 8 3, the Board may in their absolute discretion decline to register any transfer of any Share whether or not it is a fully paid Share

8 2 The Board shall register the transfer of any Ordinary Share

8 2 1 subject to the transferring Shareholder first obtaining the written approval of the Board (such consent cannot be unreasonably withheld or delayed), and

8 2 2 made pursuant to Articles 12 and 13

8 3 The Board shall register the transfer of any 'A' Ordinary Share or any 'B' Ordinary Share

8 3 1 subject to the transferring Shareholder first obtaining the written consent of the majority of the Ordinary Shareholders, or

8 3 2 made pursuant to Articles 9, 12 and 13

8 4 The instrument of transfer of a Share may be in any usual form or in any other form which the Board may approve and shall be executed by or on behalf of the transferor

## **9 COMPULSORY TRANSFERS – 'A' SHAREHOLDERS (EMPLOYEE MEMBERS)**

9 1 The provisions of this Article shall apply to any Leaver

9 2 A Leaver is deemed to have served a Deemed Transfer Notice in respect of all of his Shares (which shall for the purpose of this Article 9 also be referred to as "**Leaver's Shares**"), immediately upon him ceasing to be a Director and/or an Employee (or on exercise of the relevant option where part (b) of the definition of Leaver applies) and, for as long as the Leaver is a Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the Leaver

- 9.3 The Board has the further right to postpone any Leaver's Deemed Transfer Notice for such period as they determine
- 9.4 The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the Leaver empowered to sell the Leaver's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the "**Transfer Price**" (as defined in Article 9.5) on the terms of this Article 9. A Deemed Transfer Notice may not be revoked
- 9.5 The Transfer Price shall be calculated as follows

Leaver Category	Transfer Price
Bad Leaver	The price paid by the Leaver to acquire the Shares
Good Leaver	The Market Value of the Shares at the date of the Deemed Transfer Notice (as determined in accordance with Article 11)

- 9.6 As soon as practicable following the date of the Deemed Transfer Notice ("**Offer Date**"), the Board shall offer the Leaver's Shares to the parties as provided in Articles 9.7 to 9.8
- 9.7 The Board shall consider whether the Company shall purchase the Leaver's Shares at the Transfer Price within 28 days of the Offer Date ("**First Leaver Period**")

If, at the end of the First Leaver Period, the Board decides on behalf of the Company not to purchase all of the Leaver's Shares, the balance ("**Initial Surplus Leaver's Shares**") shall be dealt with in accordance with Article 9.8

- 9.8 At the end of the First Leaver Period, the Board shall offer the Initial Surplus Leaver's Shares to all Ordinary Shareholders, inviting them to apply in writing within 28 days of the date of the offer ("**Second Leaver Period**") for the maximum number of Initial Surplus Leaver's Shares they wish to buy

If, at the end of the Second Leaver Period, the number of Initial Surplus Leaver's Shares applied for is equal to or exceeds the number of Initial Surplus Leaver's Shares, the Board shall allocate the Initial Surplus Leaver's Shares to each Ordinary Shareholder who has applied for Initial Surplus Leaver's Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Ordinary Shareholders who have applied for Initial Surplus Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to an Ordinary Shareholder of more than the maximum number of Initial Surplus Leaver's Shares which he has stated he is willing to buy

If, at the end of the Second Leaver Period, the total number of Initial Surplus Leaver's Shares applied for is less than the number of Initial Surplus Leaver's Shares, the Board shall allocate the Initial Surplus Leaver's Shares to the Ordinary Shareholders in accordance with their applications. The balance shall be retained

by the Leaver subject to any subsequent Deemed Transfer Notice pursuant to Article 9 2, 12 and 13

- 9 9 In the event the Leaver's Shares are sold pursuant to Articles 12 and 13 the aggregate of the Exit Proceeds to be received by the Leaver shall not exceed the Transfer Price
- 9 10 In the event of an Asset Sale the total Exit Proceeds to be received by the Leaver shall not exceed the Transfer Price
- 9 11 The Transfer Price of the Leaver's Shares transferred pursuant to Articles 9, 12 and 13 shall be reduced on a pound for pound basis for any amount received by the Leaver pursuant to Article 9 10 (Asset Sale)
- 9 12 If allocations under Articles 9 7 to 9 8 have been made in respect of some or all of the Leaver's Shares, the Board shall give written notice of allocation ("**Allocation Notice**") to the Leaver and/or the Company and/or Ordinary Shareholders to whom Leaver's Shares have been allocated ("**Applicant**") The Allocation Notice shall specify the number of Leaver's Shares allocated to each Applicant, the amount payable by each Applicant for the number of Leaver's Shares allocated to him ("**Consideration**") and the place and time for completion of the transfer and/or purchase by the Company of the Leaver's Shares (which shall be not more than 28 days after the date of the Allocation Notice)
- 9 13 On the service of an Allocation Notice, the Leaver shall, against payment of the Consideration, transfer the Leaver's Shares allocated in accordance with the requirements specified in the Allocation Notice

If the Leaver fails to comply with the requirements of the Allocation Notice

- 9 13 1 he shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) to be his agent or attorney to, on behalf of the Leaver
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Leaver's Shares to the Applicants and/or purchase of the Leaver's Shares by the Company by way of a purchase of own shares of the Company in accordance with Part 18 of the Act, including but not limited to any buyback contract of own shares in connection therewith,
  - (b) receive the Consideration and give a good discharge for it, and
  - (c) (subject to the transfers and/or purchase of own shares contract being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

9 13 2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Leaver until he has delivered his certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, 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

## 10 COMPULSORY TRANSFERS – 'B' SHAREHOLDERS

10 1 For the purpose of this clause 10 "**B Leaver**" means Lynn Rochelle Spathas, where either she or Mr Costandinos Spathas ceases to be either a Director or an employee of a Group Company

10 2 A B Leaver is deemed to have served a Deemed Transfer Notice in respect of all of her 'B' Ordinary Shares (which shall for the purpose of this Article 10 also be referred to as "**B Leaver's Shares**") immediately upon her becoming a B Leaver and, for as long as the B Leaver is a 'B' Shareholder, the Board may determine at any time that a further Deemed Transfer Notice has been served by the B Leaver

10 3 The Board has the further right to postpone any B Leaver's Deemed Transfer Notice for such period as they determine

10 4 The Deemed Transfer Notice shall constitute the Company (by the Board) as the agent of the B Leaver empowered to sell the B Leaver's Shares (together with all rights attaching thereto at the date of the Deemed Transfer Notice or at any time thereafter) at the "**B Transfer Price**" (as defined in Article 10 5) on the terms of this Article 10 A Deemed Transfer Notice may not be revoked

10 5 The B Transfer Price shall be the Market Value of the B Leaver's Shares at the date of the Deemed Transfer Notice (as determined in accordance with Article 11)

10 6 As soon as practicable following the date of the Deemed Transfer Notice ("**B Offer Date**"), the Board shall offer the B Leaver's Shares to the parties as provided in Articles 10 7 to 10 13

10 7 The Board shall consider whether the Company shall purchase by way of a purchase of own shares under Part 18 of the Act all (but for the avoidance of doubt not some only) of the B Leaver's Shares at the B Transfer Price within 28 days of the B Offer Date ("**First B Leaver Period**")

If, at the end of the First B Leaver Period, the Board decides on behalf of the Company not to purchase all of the B Leaver's Shares, the balance ("**Initial Surplus B Leaver's Shares**") shall be dealt with in accordance with Article 10 8

10 8 At the end of the First B Leaver Period, the Board shall offer the Initial Surplus B Leaver's Shares to all Ordinary Shareholders, inviting them to apply in writing within 28 days of the date of the offer ("**Second B Leaver Period**") for the maximum number of Initial Surplus B Leaver's Shares they wish to buy



If, at the end of the Second B Leaver Period, the number of Initial Surplus B Leaver's Shares applied for is equal to or exceeds the number of Initial Surplus B Leaver's Shares, the Board shall allocate the Initial Surplus B Leaver's Shares to each Ordinary Shareholder who has applied for Initial Surplus B Leaver's Shares in the proportion which his existing holding of Shares bears to the total number of Shares held by those Ordinary Shareholders who have applied for Initial Surplus B Leaver's Shares. Fractional entitlements shall be rounded to the nearest whole number. No allocation shall be made to an Ordinary Shareholder of more than the maximum number of Initial Surplus B Leaver's Shares which he has stated he is willing to buy.

If, at the end of the Second B Leaver Period, the total number of Initial Surplus B Leaver's Shares applied for is less than the number of Initial Surplus B Leaver's Shares, the Board shall allocate the Initial Surplus B Leaver's Shares to the Ordinary Shareholders in accordance with their applications. The balance shall be retained by the B Leaver subject to any subsequent Deemed Transfer Notice pursuant to Article 10.2, 12 and 13.

10.9 In the event the B Leaver's Shares are sold pursuant to Articles 12 and 13 the aggregate of the Exit Proceeds to be received by the B Leaver shall not exceed the B Transfer Price.

10.10 In the event of an Asset Sale the total Exit Proceeds to be received by the B Leaver shall not exceed the B Transfer Price.

10.11 The Transfer Price of the B Leaver's Shares transferred pursuant to Articles 10, 12 and 13 shall be reduced on a pound for pound basis for any amount received by the B Leaver pursuant to Article 10.10 (Asset Sale).

10.12 If allocations under Articles 10.7 to 10.8 have been made in respect of some or all of the B Leaver's Shares, the Board shall give written notice of allocation ("**B Allocation Notice**") to the B Leaver and/or the Company and/or Ordinary Shareholders to whom the B Leaver's Shares have been allocated ("**B Applicant**"). The B Allocation Notice shall specify the number of the B Leaver's Shares allocated to each B Applicant, the amount payable by each B Applicant for the number of B Leaver's Shares allocated to him ("**B Consideration**") and the place and time for completion of the transfer of the B Leaver's Shares (which shall be not more than 28 days after the date of the B Allocation Notice).

10.13 On the service of a B Allocation Notice, the B Leaver shall, against payment of the B Consideration, transfer the B Leaver's Shares allocated in accordance with the requirements specified in the B Allocation Notice.

If the B Leaver fails to comply with the requirements of the B Allocation Notice

10.13.1 she shall be deemed to have irrevocably appointed the Chairman of the Board (or, failing him, one of the other Directors, or some other person nominated by a resolution of the Board) to be her agent or attorney to, on behalf of the B Leaver

- (a) complete, execute and deliver in her name all documents necessary to give effect to the transfer of the relevant B Leaver's Shares to the B Applicants and/or purchase of the B Leaver's Shares by the Company by way of a purchase of own shares of the Company in accordance with Part 18 of the Act, including but not limited to any buyback contract of own shares in connection therewith,
- (b) receive the Consideration and give a good discharge for it, and
- (c) (subject to the transfers and/or purchase of own shares contract being duly stamped) register the cancellation of the Shares bought back pursuant to this Article 10, and

10 13 2 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the B Leaver until she has delivered her certificate for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, 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

## 11 SHARE VALUATION

11 1 With regards to

11 1 1 a sale of Shares pursuant to Article 9, in the absence of a determination in accordance with Article 9 5, and

11 1 2 a sale of 'B' Ordinary Shares pursuant to Article 10,

the Board shall instruct the Auditors to certify the "**Market Value**" of Shares in the capital of the Company. In determining the Market Value the Auditors shall value the Company on a going concern basis on the assumption of an arm's length sale of the Company between a willing seller and a willing buyer taking into account whether or not the Shares in question represent a minority holding in the Company.

11 2 The Auditors shall be considered to be acting as experts and not as arbitrators and their decision shall (save in the case of manifest error) be final and binding. The reasonable costs of the Auditors shall be borne by the Company. Where the Auditors refuse to give the opinion or certificate required of them the matter shall be referred to an independent firm of chartered accountants agreed by the Shareholders or failing agreement within 7 days a firm selected by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application of any Shareholder.

## 12 TAG ALONG RIGHTS ON A CHANGE OF CONTROL

12 1 The provisions of this Article 12 shall apply if, in one or a series of related transactions, one or more Sellers propose to transfer ("**Proposed Transfer**") any of their Shares ("**Transfer Shares**") which would, if carried out, result in any person

("Buyer"), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company

12 2 In the event that a Buyer was acquiring a Controlling Interest in the Company, a Seller or Sellers shall procure that the Buyer makes an offer ("**Offer**") to the remaining Shareholders ("**Minority Shareholders**") to purchase the same proportion of Shares as the Buyer is purchasing of the Seller or Sellers for a consideration in cash per Share that is equal to the cash per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, for the Transfer Shares ("**Specified Price**")

12 3 The Offer shall be given by written notice ("**Offer Notice**"), at least 2 weeks ("**Offer Period**") before the proposed sale date ("**Sale Date**") To the extent not described in any accompanying documents, the Offer Notice shall set out

12 3 1 the identity of the Buyer,

12 3 2 the Specified Price and other terms and conditions of payment,

12 3 3 the Sale Date, and

12 3 4 the number of Shares proposed to be purchased by the Buyer ("**Minority Offer Shares**")

12 4 If the Buyer fails to make the Offer to all holders of Shares in the Company in accordance with Articles 12 1 to 12 3, the Seller or Sellers shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer

12 5 If the Offer is accepted by any Minority Shareholders ("**Accepting Minority Shareholder**") within the Offer Period, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Minority Offer Shares held by Accepting Minority Shareholders

### 13 DRAG ALONG RIGHTS

13 1 If the holders of 50% of the Ordinary Shares in issue for the time being ("**Selling Shareholders**") wish to transfer all of their interest in the Shares ("**Selling Shareholders' Shares**") to a bona fide arm's length purchaser ("**Proposed Buyer**"), the Selling Shareholders may require all other Shareholders ("**Called Shareholders**") to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this Article ("**Drag Along Option**")

13 2 The Selling Shareholders may exercise the Drag Along Option by giving written notice to that effect ("**Drag Along Notice**") at any time before the transfer of the Selling Shareholders' Shares to the Proposed Buyer The Drag Along Notice shall specify

13 2 1 that the Called Shareholders are required to transfer all their Shares ("**Called Shares**") pursuant to this Article 13,

- 13 2 2 the person to whom the Called Shares are to be transferred,
  - 13 2 3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the Proposed Buyer for the Selling Shareholders' Shares, and
  - 13 2 4 the proposed date of the transfer
- 13 3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not sold the Selling Shareholders' Shares to the Proposed Buyer within 28 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.
- 13 4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 13.
- 13 5 Completion of the sale of the Called Shares shall take place on the Completion Date (as defined below). "**Completion Date**" means the date proposed for completion of the sale of the Selling Shareholders' Shares unless
- 13 5 1 all of the Called Shareholders and the Selling Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Selling Shareholders, or
  - 13 5 2 that date is less than 14 days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be 14 days after service of the Drag Along Notice.
- 13 6 Within 14 days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their shares pursuant to Article 13 2 3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 13 2 3 in trust for the Called Shareholders without any obligation to pay interest.
- 13 7 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to Article 13 2 3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this Article 13 in respect of their Shares.

13.8 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 13.

13.9 Following the issue of a Drag Along Notice, on any person becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or on the conversion of any convertible security of the Company (a "New Shareholder"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice. The New Shareholder shall then be bound to sell and transfer all Shares acquired by it to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this Article 13 shall apply with the necessary changes to the New Shareholder, except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder.

#### **14 CALLING A BOARD MEETING**

14.1 Any Director may call a Board meeting by giving reasonable notice of the meeting to the Board or by authorising the company secretary (if any) to give such notice.

14.2 Notice of a Board meeting must be sent to every Director, including Directors who are absent from the United Kingdom.

14.3 Article 9 of the Model Articles shall be modified accordingly.

#### **15 QUORUM FOR BOARD MEETINGS**

15.1 Subject to Article 15.2, the quorum for the transaction of business at a Board meeting is any one eligible Director.

15.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 18 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.

#### **16 PROCEEDINGS AT BOARD MEETINGS**

16.1 Any Director or his alternate may validly participate in a Board meeting or a committee of Directors through the medium of conference telephone or similar form of communication equipment provided that all persons participating in the meeting are able to hear and speak to each other throughout the meeting. A person so participating shall be deemed to be present in person at the meeting and shall

accordingly be counted in a quorum and be entitled to vote (subject to any contrary provisions contained in these Articles) Subject to the Act, all business transacted in such manner by the Board or a committee of the Directors shall for the purposes of the Articles be deemed to be validly and effectively transacted at a meeting of the Board or of a committee of the Directors notwithstanding that fewer than two Directors or alternate Directors are physically present at the same place Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is

## **17 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

Subject to 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

- 17 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,
- 17 2 shall be an eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he is interested,
- 17 3 shall be entitled to vote at a Board meeting (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,
- 17 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- 17 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, anybody corporate in which the Company is otherwise (directly or indirectly) interested, and
- 17 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

## **18 DIRECTORS' CONFLICTS OF INTEREST**

- 18 1 The Directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an "**Interested Director**") breaching his duty under section 175 of the Act to avoid conflicts of interest ("**Conflict**")

- 18 2 Any authorisation under this Article 18 will be effective only if
- 18 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 Board under the provisions of these Articles or in such other manner as the Board may determine,
  - 18 2 2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
  - 18 2 3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 18 3 Any authorisation of a Conflict under this Article 18 may (whether at the time of giving the authorisation or subsequently)
- 18 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,
  - 18 3 2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at Board meetings or otherwise) related to the Conflict,
  - 18 3 3 provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the Board vote in relation to any resolution related to the Conflict,
  - 18 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board think fit,
  - 18 3 5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence, and
  - 18 3 6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any Board meeting and be excused from reviewing papers prepared by, or for, the Board to the extent they relate to such matters
- 18 4 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict

18 5 The Board 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

18 6 In authorising a Conflict the Board 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

18 6 1 disclose such information to the Board or to any Director or other officer or employee of the Company, or

18 6 2 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

18 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 Board 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

## **19 RECORDS OF DECISIONS TO BE KEPT**

Where decisions of the Board are taken by electronic means, such decisions shall be recorded by the Board in permanent form, so that they may be read with the naked eye

## **20 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 one

## **21 APPOINTMENT & REMOVAL OF DIRECTORS**

21 1 No person shall be or become incapable of being appointed a Director by reason of his having attained the age of seventy or any other age nor shall any special notice be required in connection with the appointment or the approval of the appointment of such person and no Director shall vacate his office at any time by reason of the fact that he has attained the age of seventy or any other age

21 2 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



## **22 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

22 1 Any Director ("appointor") may appoint as an alternate any other Director, or any other person approved by resolution of the Board, to

22 1 1 exercise that Director's powers, and

22 1 2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Board, in the absence of the alternate's appointor

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 Board

22 2 The notice must

22 2 1 identify the proposed alternate, and

22 2 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

## **23 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

23 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 Board as the alternate's appointor

23 2 Except as the Articles specify otherwise, alternate Directors

23 2 1 are deemed for all purposes to be Directors,

23 2 2 are liable for their own acts and omissions,

23 2 3 are subject to the same restrictions as their appointors, and

23 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 Board meetings and of all meetings of committees of Directors of which his appointor is a member

A person who is an alternate Director but not a Director

23 2 5 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),

23 2 6 may participate in a unanimous decision of the Board (but only if his appointor is an eligible Director in relation to that decision, but does not participate), and

23 2 7 shall not be counted as more than one Director for the purposes of Articles 18, 23 2 5 and 23 2 6

23 3 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Board (provided that his appointor is an eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present

23 4 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

## **24 TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate Director's appointment as an alternate terminates

24 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate,

24 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,

24 3 on the death of the alternate's appointor, or

24 4 when the alternate's appointor's appointment as a Director terminates

## **25 BORROWING POWERS**

The Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and subject as otherwise provided in these Articles to issue debentures, debenture stock and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

## **26 SECRETARY**

The Board may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Board so decide, appoint a replacement, in each case by a decision of the Board

## **27 GENERAL MEETINGS**

Notices convening general meetings of the Company shall comply with the provisions of Chapter 3 of Part 13 of the Act

## **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 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 Board, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

29 3 Proxies must be deposited at the registered office of the Company or, to such other postal address, electronic mail address or facsimile number as may be specifically permitted for the purpose of depositing proxy forms in the notice convening such general meeting For the avoidance of doubt, where no such alternative is specifically provided for in the notice convening the relevant general meeting all proxy forms relating to that general meeting must be deposited at the registered office of the Company

29 4 Where there is a vote on a resolution on a show of hands at a general meeting and a member entitled to vote on the resolution has appointed more than one proxy those proxies (when taken together) shall not be entitled to have more votes than the member would have if he or she were present in person

## **30 SINGLE SHAREHOLDER COMPANY**

30 1 If, and for so long as, the Company has only one Shareholder, the following provisions shall apply

30 1 1 The sole Shareholder of the Company (or the proxy or authorised representative of the sole Shareholder representing that Shareholder at the relevant general meeting) shall be the chairman of any general meeting of the Company and Article 39 of the Model Articles shall be modified accordingly

- 30 1 2 All other provisions of these Articles shall (in the absence of any express provision to the contrary) apply with such modification as may be necessary in relation to a Company which has only one Shareholder

## 31 SHARES

The Company may issue shares for less than the aggregate of their nominal value

## 32 LIEN, CALLS ON SHARES AND FORFEITURE

- 32 1 The Company has a lien (the "**Company's Lien**") over every share (whether fully paid up or not) which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

- 32 2 The provisions of Articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60, 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those Articles to a "member" or "members" shall be deemed to be references to a "shareholder" or "shareholders" (as the case may be)

### 32 3 Enforcement of the Company's Lien

- 32 3 1 Subject to the provisions of this Article 32 3, if

- (a) a Lien Enforcement Notice has been given in respect of a share, and
- (b) the person to whom the notice was given has failed to comply with it,

the company may sell that share in such manner as the directors decide

- 32 3 2 A Lien Enforcement Notice

- (a) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the share concerned,
- (c) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),

- (d) must be addressed either to the holder of the share or to a transmittee of that holder, and
- (e) must state the company's intention to sell the share if the notice is not complied with

32 3 3 Where shares are sold under this Article 32 3

- (a) the directors may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser, and
- (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

32 3 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied

- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
- (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable by that person (or his estate or any joint holder of the shares) after the date of the Lien Enforcement Notice

32 3 5 A statutory declaration by a director that the declarant is a director and that a share has been sold to satisfy the Company's Lien on a specified date

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- (b) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share

32 4 Call notices

32 4 1 Subject to the Articles and the terms on which shares are allotted, the directors may send a notice (a "Call Notice") to a shareholder requiring the shareholder to pay the company a specified sum of money (a "Call") which is payable to the company at the date when the directors decide to send the Call Notice

32 4 2 A Call Notice

- (a) may not require a shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the company,
- (b) must state when and how any Call to which it relates is to be paid, and
- (c) may permit or require the Call to be made in instalments

32 4 3 A shareholder must comply with the requirements of a Call Notice, but no shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent

32 4 4 Before the company has received any Call due under a Call Notice the directors may

- (a) revoke it wholly or in part, or
  - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the shareholder in respect of whose shares the Call is made

32 4 5 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the company in respect of that share

- (a) on allotment,
- (b) on the occurrence of a particular event, or
- (c) on a date fixed by or in accordance with the terms of issue

32 5 Forfeiture

32 5 1 If a person is liable to pay a Call and falls to do so by the Call payment date

- (a) the directors may issue a notice of intended forfeiture to that person, and
- (b) until the Call is paid, that person must pay the company interest on the Call from the Call payment date at the relevant rate

32 5 2 A notice of intended forfeiture

- (a) may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice,

- (b) must be sent to the holder of that share (or all the joint holders of that share) or to a transmittee of that holder,
- (c) must require payment of the Call and any accrued interest by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (d) must state how the payment is to be made, and
- (e) must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited

### **33 MEANS OF COMMUNICATION TO BE USED**

33 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

33 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from 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)

33 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

33 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied,

33 1 4 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, or, if earlier,

33 1 5 as soon as the member acknowledges actual receipt

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

33 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

33 3 A member present in person at any meeting of the Company shall be deemed to have received notice of the meeting and, where necessary, of the purposes for which it was called

## **34. INDEMNITY**

34 1 Subject to Article 34 1 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

34 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 as a relevant officer

(a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(b) 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 in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any associated Company's) affairs, and

34 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 34, 34 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

34 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

34 3 In this Article

34 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

34 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)

## **35 INSURANCE**

35 1 The Board 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



35 2 In this Article

- 35 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),
- 35 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
- 35 2 3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate