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COMPANIES HOUSE

**ARTICLES OF ASSOCIATION
of
PUKKA HERBS LIMITED**

**ADOPTED BY SPECIAL RESOLUTION
ON 26 MARCH 2015 and
AS AMENDED BY SPECIAL RESOLUTION
PASSED ON 28 July 2016**

An Enterprise Management Incentives (EMI) option has been granted by this Company

Any alteration to the rights or restrictions attaching to shares or any other variation or conversion affecting the shares subject to the Option could be a disqualifying event for EMI purposes

This could result in a national insurance charge for the Company and national insurance/tax charges for the Participant

The Option Agreement should be reviewed before any such change and prior clearance sought from HM Revenue & Customs

This warning does not form part of the Company's Articles of Association

Company Number: 04275539

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
Pukka Herbs Limited

**Adopted by Special Resolution passed on 26 March 2015 and
as amended by special resolution passed on ~~28~~ July 2016**

1 PRELIMINARY

- 1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these articles (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles

Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended) ("**Table A**") shall not apply to the Company

- 1 2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force

Articles 8, 9, 11(2) (3) (a), 12, 13, 14, 16, 17(2), 17(3), 18, 19, 22(2), 26(5), 28, 29, 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

2 INTERPRETATION

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

"A Shares" the A Ordinary Shares of £0.01 in the capital of the Company and "**A Shareholder**" shall be construed accordingly,

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

"Adoption Date"	the date of adoption of these Articles,
"Asset Sale"	sale or transfer of the whole or substantially the whole of the undertaking or assets of the Company or any Subsidiary of the Company,
"these Articles"	these Articles of Association whether as originally adopted or as from time to time altered by special resolution,
"Associate"	in relation to any person means any person who is an associate of such person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined),
"Auditors"	the auditors of the Company from time to time;
"B Shares"	the B Ordinary Shares of £0.01 each in the capital of the Company and "B Shareholder" shall be construed accordingly;
"Bad Leaver"	A B Shareholder whose employment or engagement with the Company ceases and who is not a Good Leaver,
"Bonus Issue or Reorganisation"	means any return of capital, bonus issue of shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for or as an alternative to a cash dividend which is made available to the Shareholders) or any consolidation or sub-division or any repurchase or redemption of shares or any variation in the subscription price or conversion rate applicable to any other outstanding shares of the Company in each case other than shares issued as a result of the events set out in Article 6.2 ,
"Business Day"	any day (other than a Saturday, Sunday or a bank or public holiday in the United Kingdom) when banks in the City of London are generally open for business,
"Clear Days"	in relation to the period of a notice means that period excluding public holidays in the United Kingdom and the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,
"Controlling Interest"	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 450 of the Corporation Tax Act 2010,

"Director(s)"	a director or the directors for the time being of the Company or (as the context shall require) any of them acting as the board of directors of the Company,
"Employment Contract"	means an employment contract, service agreement, consultancy agreement and/or terms of engagement with the Company as the context may require,
"Employees' Share Scheme"	is as defined in section 1166 of the Act,
"Fair Value"	is as determined in accordance with Article 10.3 ,
"Good Leaver"	<p>a B Shareholder whose employment or engagement ceases</p> <p>b) as a result of his death or Permanent Incapacity,</p> <p>c) his retirement at or after the age of 65,</p> <p>d) pursuant to his resignation served in accordance with his Employment Contract provided that he raised his intention to resign [at a meeting of the Directors] at least 6 months prior to the date upon which his formal notice of resignation was served, or</p> <p>e) in any other circumstances where the Directors in their absolute discretion deem him to be a Good Leaver,</p>
"Group Company"	the Company and any company which is a Holding Company of the Company or a Subsidiary of the Company or of such Holding Company,
"Holding Company"	has the meaning set out in section 1159 of the Act,
"Incapacity"	any sickness, injury or other medical disorder or condition (whether physical or mental) which prevents a B Shareholder in question from carrying out his duties under his Employment Contract
"Member of the same Group"	as regards any undertaking, a company which is for the time being a Holding Company or a Subsidiary of that undertaking or a Subsidiary of any such Holding Company,
"New Securities"	any shares or other securities convertible into, or carrying the right to subscribe for such shares, issued by the Company after the date of adoption of these Articles,

"Ordinary Shares"	the A Ordinary Shares of £0.01 each in the capital of the Company and the B Ordinary Shares of £0.01 each in the capital of the Company,
"Permanent Incapacity"	means that the relevant B Shareholder is unable by reason of Incapacity to perform his duties under his Employment Contract for an aggregate period of 26 weeks in any 52 week period,
"Proceeds of Sale"	the consideration payable (including any deferred consideration) whether in cash or otherwise to those shareholders selling shares pursuant to a Share Sale,
"Sale Shares"	has the meaning set out in Article 9.2.1 of these Articles
"Seal"	the common seal of the Company (if any),
"Secretary"	the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,
"Shares"	the Ordinary Shares,
"Share Sale"	sale of (or the grant of a right to acquire or to dispose of) any Shares (in one transaction or as a series of transactions) which will result in the purchaser of such Shares (or grantee of such right) and persons connected (in terms of section 1122 of the Corporation Tax Act 2010) with him gaining a Controlling Interest in the Company,
"Shareholder Consent"	the written consent of the holders of at least 60% of the Ordinary Shares,
"Shareholder Director"	shall have the meaning given in Article 19.1.1 and "Shareholder Directors" shall be construed accordingly,
"Shareholder"	the holder of Shares from time to time and "Shareholders" shall be constructed accordingly,
"Shareholders Agreement"	the shareholders agreement relating to the Company dated [] 2012, as amended from time to time;
"Subsidiary "	has the meaning set out in section 1159 of the Act,

"Transfer Price" shall have the meaning given in **Article 9.2.3**,

"the United Kingdom" Great Britain and Northern Ireland,

Unless the context otherwise requires, words or expressions contained in these Articles and the Model Articles bear the same meaning as in the Act but excluding any statutory modification thereof not in force when these Articles become binding on the Company

2 1 The objects of the Company are unlimited

3 SHARE CAPITAL

3 1 The Company shall not be limited by an 'authorised share capital'

3 2 Except as otherwise provided in these Articles, the A Shares and B Shares shall rank *pari passu* in all respects but shall constitute separate classes of Shares

3 3 On the transfer of any share as required or permitted by these Articles

3 3 1 save as otherwise provided in Article 9A 3, a share transferred to a non-Shareholder shall remain of the same class as before the transfer, and

3 3 2 a share transferred to a Shareholder shall automatically be re-designated on transfer as a share of the same class as those Shares already held by the Shareholder

3 4 If no Shares of a class remain in issue following a re-designation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, Shareholders of that class or Directors appointed by that class

3 5 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a Special Resolution of the holders of the relevant class of Shares Where a Special Resolution to vary the rights attaching to a class of Shares is proposed at a separate general meeting of that class of Shares, all the provisions of these Articles as to general meetings of the Company shall *mutatis mutandis* apply, but so that the necessary quorum shall be one Holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative For the purpose of this article, one Holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting

3 6 Each of the following shall be deemed to constitute a variation of the rights attached to the A Shares

3 6 1 any alteration in the Articles,

3 6 2 any reduction, subdivision, consolidation, redenomination, purchase or redemption by the Company of its own Shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital, and

3 6 3 any resolution to put the Company into liquidation

4 Powers to issue different classes of share

- 4 1 Subject to the Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by Ordinary Resolution
- 4 2 The Company may issue Shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the Holder, and the Directors may determine the terms, conditions and manner of redemption of any such Shares

5 Issue of Further Shares - Authority

- 5 1 Subject to remaining provisions of this **Article 5** and **Article 6** the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Companies Act, to exercise any power of the Company to

- 5 1 1 offer or allot,

- 5 1 2 grant rights to subscribe for or to convert any security into, or

- 5 1 3 otherwise deal in, or dispose of,

any Shares to any person, at any time and subject to any terms and conditions as the Directors think proper

- 5 2 The authority referred to in **Article 5.1**

- 5 2 1 shall be limited to a maximum nominal amount of £100 of A Shares, and £100 of B Shares, or such other amount as may from time to time be authorised by the Company by Ordinary Resolution,

- 5 2 2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by Ordinary Resolution, and

- 5 2 3 may only be exercised for a period of five years from the date of adoption of these Articles, save that the Directors may make an offer or agreement which would, or might, require Shares to be allotted after the expiry of such authority (and the Directors may allot Shares in pursuance of an offer or agreement as if such authority had not expired)

6 Further issues of shares- Pre-emption

- 6 1 Subject to **Article 6.2**, all New Securities which the Directors propose to issue shall be dealt with in accordance with the following provisions of this **Article 6.1** unless determined otherwise by Special Resolution

- 6 1 1 any New Securities proposed to be issued in the share capital of the Company shall be offered to the Shareholders in proportion to the number of Shares held by them respectively,
- 6 1 2 each such offer shall be made by notice specifying the total number of New Securities being offered to the Shareholders as a whole, the proportionate entitlement of the Shareholder to whom the offer is made and the price per New Security (which shall be the same for each Shareholder) and shall require each Shareholder to state in writing within a period (not being less than seven days) specified in the notice the number of New Securities that the Shareholder wishes to subscribe for (if any) up to the proportionate entitlement,
- 6 1 3 an offer, if not accepted within the period specified in the notice as regards any New Securities, will be deemed to be declined as regards those New Securities. After the expiration of such period any New Securities so deemed to be declined by the Shareholders shall be offered to the Shareholders willing to take up New Securities in proportion to the number of Shares held by them respectively and such further offers shall be made in the same manner and limited by a like period as the original offer,
- 6 1 4 any New Securities not accepted pursuant to such offer and further offers made in accordance with this **Article 6.1** or not capable of being offered as aforesaid except by way of fractions shall not be issued, and
- 6 1 5 any New Securities released from the provisions of this Article 6 1 in accordance with **Article 6.1.2** shall be under the control of the Directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit
- 6 2 The provisions of **Article 6.1** shall have effect subject to section 549 of the Act and shall not apply to shares issued as a result of or in connection with
 - 6 2 1 a Bonus Issue or Reorganisation,
 - 6 2 2 the issue of New Securities which has been approved by the Shareholders,
 - 6 2 3 any matter pursuant to Article 36 of the Model Articles,
 - 6 2 4 the acquisition of the shares, business or undertaking of any other person by the Company
- 6 3 In accordance with section 567(1) of the Act, sections 561, 562 and 568(3) of the Act shall not apply to the Company

7 Share Rights

The Shares shall confer upon their holders the following rights -

- 7 1 As to capital, on a liquidation or other return of capital, the surplus assets available after payment of the Company's liabilities shall be distributed amongst the holders of the Shares pro rata in proportion to the number of Shares held by them respectively
- 7 2 Upon a Share Sale, the Directors shall not register any transfer of Shares unless
 - 7 2 1 the Proceeds of Sale represented by cash are paid into the Company's solicitors bank account and the Proceeds of Sale represented other than in cash shall be held by the Company on trust for the holders of those Shares being sold in connection with the Share Sale, and
 - 7 2 2 the Proceeds of Sale are distributed in the order of priority set out in **Article 7.1** as if such Share Sale was a liquidation save in respect of any Shares not sold in connection with such Share Sale

Provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale.

 - 7 2 3 the Directors shall not be prohibited from registering the transfer of the shares so long as the provisions of **Articles 7.2.1 and 7.2.2** have been applied to the Proceeds of Sale settled upon completion, and
 - 7 2 4 the Shareholders shall be required to take such actions as may be required to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in **Article 7.1**
- 7 3 Upon an Asset Sale the surplus assets of the Company remaining after payment of its liabilities shall be distributed (insofar as the Company is lawfully permitted to do so) in the order of priority set out in **Article 7.1** as if such Asset Sale was a liquidation, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, the Shareholders shall be required to take such actions as may be required (including, but without prejudice to the generality of the foregoing, such actions that may be necessary to put the Company into voluntary liquidation so that **Article 7.1** applies)

8 TRANSFER OF SHARES - GENERAL

- 8 1 In **Articles 8 to 14**, reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share

- 8 2 No Share may be transferred unless the transfer is made in accordance with these Articles, and the Directors shall refuse to register any transfer not made in accordance with these Articles
- 8 3 If a Shareholder transfers or purports to transfer a Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Shares held by him
- 8 4 Any transfer of a Share by way of sale which is required to be made under **Articles 9, 13 and 14** will be deemed to include a warranty that the transferor sells with full title guarantee
- 8 5 The Directors may, as a condition to the registration of any transfer of shares in the Company, require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of the Shareholders Agreement or similar document in force between some or all of the shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this **Article 8.5** the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee
- 8 6 To enable the Directors to determine whether or not there has been any disposal of shares in the capital of the Company (or any interest in shares in the capital of the Company) in breach of these Articles the Directors may, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company that information and evidence the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares in the capital of the Company from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such shares in the capital of the Company in writing of that fact and the following shall occur
- 8 6 1 the relevant shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights
- (a) to vote whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company (or at any separate meeting of the class in question), or
- (b) to receive dividends or other distributions otherwise attaching to those shares or to any further shares issued in respect of those shares, and

- (c) the holder may be required at any time following receipt of the notice to transfer some or all of its Shares to any person(s) at the price that the Directors may require by notice in writing to that holder

The rights referred to in **Article 8.6.1(b)** above may be reinstated by the Board subject to Shareholder Consent and shall in any event be reinstated upon the completion of any transfer referred to in **Article 8.6.1(c)** above

- 8 7 In any case where the Board may require a Transfer Notice to be given in respect of any Shares, if a Transfer Notice is not duly given within a period of 10 Business Days of demand being made, a Transfer Notice shall be deemed to have been given at the expiration of that period. If a Transfer Notice is required to be given or is deemed to have been given under these Articles, the Transfer Notice will be treated as having specified that

- 8 7 1 the Transfer Price for the Sale Shares will (save where Article 11 4 2(b) applies) be as agreed between the Board (any director with whom the Seller is connected (within the meaning of section 252 of the Act) not voting) and the Seller, or, failing agreement within five Business Days after the date on which the Board becomes aware that a Transfer Notice has been deemed to have been given, will be the Fair Value of the Sale Shares,

- 8 7 2 it does not include a Minimum Transfer Condition (as defined in Article 9 2 4), and

- 8 7 3 the Seller wishes to transfer all of the Shares held by it

9 TRANSFERS OF SHARES SUBJECT TO PRE-EMPTION RIGHTS

- 9 1 Save where the provisions of **Articles 9A, 13 or 14**, apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 9

- 9 2 A Shareholder who wishes to transfer Shares (a "**Seller**") shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any Shares give notice in writing (a "**Transfer Notice**") to the Company specifying

- 9 2 1 the number of Shares which he wishes to transfer (the "**Sale Shares**"),

- 9 2 2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,

- 9 2 3 the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (including the Shareholder Directors) (the "**Transfer Price**"), and

- 9 2 4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a "**Minimum Transfer Condition**")

- 9 3 No Transfer Notice once given or deemed to have been given under these Articles may be withdrawn
- 9 4 A Transfer Notice constitutes the Company as the agent of the Seller for the sale of the Sale Shares at the Transfer Price
- 9 5 As soon as practicable following the later of
- 9 5 1 receipt of a Transfer Notice, and
 - 9 5 2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under **Article 10**,

the Board shall offer the Sale Shares for sale to the Shareholders in the manner set out in **Articles 9.6 to 9.7** Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered

9 6 *Transfers First Offer*

- 9 6 1 The Board shall offer the Sale Shares to the Shareholders (other than the Seller) (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy
- 9 6 2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under **Articles 9.6 and 9.7** will be conditional on the fulfilment of the Minimum Transfer Condition
- 9 6 3 If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares held by those Continuing Shareholders who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy
- 9 6 4 If not all Sale Shares are allocated in accordance with **Article 9.6.3** but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in **Article 9.6.3**
- 9 6 5 If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be dealt with in accordance with **Article 9.7**

9 7 *Transfers Second Offer*

- 9 7 1 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "**Second Offer Period**") for the maximum number of the Initial Surplus Shares they wish to buy
- 9 7 2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy
- 9 7 3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications and, save in the case of the B Ordinary Shares and/or the Deceased's Shares, the balance (the "**Second Surplus Shares**") will be offered to any other person in accordance with **Article 9.8.5**.

9 8 *Completion of transfer of Sale Shares*

- 9 8 1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under **Articles 9.6 and 9.7** stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

9 8 2 If

- (a) the Transfer Notice does not include a Minimum Transfer Condition, and
- (b) allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under **Articles 9.6 and 9.7**, give written notice of allocation (an "**Allocation Notice**") to the Seller and each Shareholder to whom Sale Shares have been allocated (an "**Applicant**") specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the

date of the Allocation Notice) for completion of the transfer of the Sale Shares

9 8 3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it

9 8 4 If the Seller fails to comply with the provisions of **Article 9.8.3**

- (a) the Chairman or, failing him, one of the directors, or some other person nominated by a resolution of the Board, may as agent and/or attorney on behalf of the Seller
- (b) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- (c) receive the Transfer Price and give a good discharge for it, and
- (d) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (e) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)

9 8 5 If an Allocation Notice does not relate to all the Sale Shares then, subject to **Article 9 8.6**, the Seller may, within eight weeks after service of the Allocation Notice, transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the Second Surplus Shares shall continue to be subject to any Minimum Transfer Conditions

9 8 6 The right of the Seller to transfer Shares under **Article 9.8.5** does not apply

- (i) in the case of a transfer of B Ordinary Shares, or
- (ii) in the case of a transfer of Deceased's Shares pursuant to Article 12
- (iii) if the Directors are of the opinion on reasonable grounds that
 - (a) the transferee is a person (or a nominee for a person) who the Shareholders (acting by Shareholder Consent) determine in their absolute discretion is a competitor with (or an Associate of a competitor with) the business of a Group Company,

- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or
- (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

9 9 The restrictions imposed by this **Article 9** may be waived in relation to any proposed transfer of shares with Shareholder Consent

9A PERMITTED TRANSFERS

9A 1 Any Share may, with prior consent of the board of Directors, be transferred to any trustee(s) for the time being of any Employees' Share Scheme of the Company

9A 2 The trustee(s) for the time being of any Employees' Share Scheme of the Company may in connection with any such scheme adopted by the Company from time to time grant options over and/or transfer any Share(s) to employees or prospective employees of any member of the Group or as otherwise specified by such scheme

9A 3 Unless the board (with Shareholder Consent) resolve otherwise, on any transfer of any Share(s) as permitted by Article 9A 1 or 9A 2, an A Share transferred pursuant to such transfer shall automatically be re-designated on transfer as a B Share

10 VALUATION OF SHARES

10 1 If a Transfer Notice does not specify a Transfer Price or, subject to **Article 11**, if a Transfer Notice is deemed to have been served then, upon service of the Transfer Notice or, in the case of the deemed service of a Transfer Notice, on the date on which the Board first has actual knowledge of the facts giving rise to such deemed service, the Board shall either

10 1 1 appoint expert valuers in accordance with **Article 10.2** (the "Expert Valuers") to certify the Fair Value of the Sale Shares, or (if the Fair Value has been certified by Expert Valuers within the preceding 12 weeks)

10 1 2 specify that the Fair Value of the Sale Shares will be calculated by dividing any Fair Value so certified by the number of Sale Shares to which it related and multiplying such Fair Value by the number of Sale Shares the subject of the Transfer Notice

10 2 The Expert Valuers will be either

10 2 1 the Auditors or chartered accountants appointed by the Company, or if so specified in the relevant Transfer Notice,

- 10 2 2 an independent firm of Chartered Accountants to be agreed between the Board and the Seller or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party
- 10 3 The "**Fair Value**" of the Sale Shares shall be determined by the Expert Valuer on the following assumptions and bases
 - 10 3 1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer based on the Company's enterprise value less its total outstanding net debt, being the Company's long and short-term debt and debt like instruments, plus its cash and cash equivalents,
 - 10 3 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - 10 3 3 that the Sale Shares are capable of being transferred without restriction,
 - 10 3 4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
 - 10 3 5 reflect any other factors which the Expert Valuers reasonably believe should be taken into account
- 10 4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- 10 5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination
- 10 6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 10 7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose
- 10 8 The Expert Valuers shall deliver their certificate to the Company As soon as the Company receives the certificate it shall deliver a copy of it to the Seller Unless the shares are to be sold under a Transfer Notice, which is deemed to have been served, the Seller may by notice in writing to the Company within five Business Days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares
- 10 9 The cost of obtaining the certificate shall be paid by the Company unless

10 9 1 the Seller cancels the Company's authority to sell, or

10 9 2 the sale is pursuant to a Transfer Notice which is deemed to have been served, and the Sale Price certified by the Expert Valuers is less than the price (if any) offered by the directors to the Seller for the Sale Share before Expert Valuer was instructed,

in which case the Seller shall bear the cost

11 TRANSFERS - GENERAL

11 1 A person entitled to a Share in consequence of the bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors may determine

11 2 If there is a change in control (as 'control' is defined in section 450 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s))

11 3 A B Shareholder shall, at the Directors' absolute discretion, be deemed to have given a Transfer Notice in respect of all Shares held by him on the date upon which his employment or engagement with the Company ceases for any reason

11 4 A deemed Transfer Notice served or deemed to be served pursuant to Article 11 3 shall have the same effect as a Transfer Notice except that

11 4 1 the transfer notice shall provide that

- (a) the Company shall have the option to repurchase the Shares held by the B Shareholder (at a price to be determined in accordance with Article 11 4 2), or, if such right is waived
- (b) the Company shall procure that the Shares held by the B Shareholder shall be offered in accordance with **Article 5**, provided that the price for the Shares shall be determined in accordance with Article 11 4 2

11 4 2 the Transfer Price shall be

- (a) in the case of a Good Leaver, Fair Value determined as at the date that the Transfer Notice is deemed to be served pursuant to Article 11 3, and
- (b) in the case of a Bad Leaver the lower of Fair Value and the nominal value

11 5 If the Company exercises its option to repurchase the Shares pursuant to Article 11 4(a), the Company shall, at the Directors' absolute discretion, be entitled to repurchase such Shares in one or more tranches over a period of not more than 36 calendar months beginning with the date upon which the

Transfer Notice is deemed to be served pursuant to Article 11 3 For the avoidance of doubt, any repurchase of Shares pursuant to this Article shall be subject to and carried out in accordance with the Act

- 11 6 All voting rights attached to Shares held by any person as a result of the operation of this Article shall immediately be suspended at the date of the deemed transfer notice
- 11 7 Shares whose voting rights are suspended pursuant to this Article ("**Restricted Shares**") shall confer on the holders of the right to receive notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy
- 11 8 If any shares are transferred in accordance with these Articles the voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of Members) automatically be restored

12 TRANSFERS OF A SHARES - DEATH

- 12 1 On the death of an A Shareholder the Company shall
 - 12 1 1 within 20 Business Days of the death of the relevant A Shareholder, instruct the Expert Valuers to certify the Fair Value of the Shares held by the deceased A Shareholder at the date of his death and any Shares transferred by the deceased Shareholder to any of his family members (Family Members) at any time prior to his death (together the Deceased's Shares), and all reference in this Article 12 1 to the Fair Value of the Deceased's Shares shall be the Fair Value as certified by the Expert Valuers pursuant to this Article 12 1, and
 - 12 1 2 have the option (but not the obligation), for a period of 12 months following such death, to issue one or more option notices in respect of all or any of Deceased's Shares Each such option notice shall
 - (a) specify the number and class of the Deceased's Shares that are the subject of the option notice, and
 - (b) provide that the transfer price of the Deceased's Shares shall be the Fair Value
- 12 2 Following service of an option notice the Company shall be bound, subject to compliance with the Act, to complete the purchase of such number of shares as specified in the relevant option notice within three (3) months of the date of such notice
- 12 3 Where the Company has not, on the expiration of the 12 month period set out in Article 12 1 above, served option notices in respect of all of the Deceased's Shares, or where the Company has not completed the purchase of any of the Deceased's Shares within the three (3) month period set out at Article 12 2 above, the Company shall procure that any remaining Shares are offered to the surviving A Shareholder(s) (other than any Family Member) in accordance with Articles 9 6, 9 7 and 9 8 within 15 Business Days of the first anniversary

of the death of the relevant A Shareholder Any such transfer shall be at Fair Value

- 12 4 If following the due operation of Articles 12 1 and 12 2 above, any of the Deceased's Shares remain unsold, the personal representatives or Family Member of the deceased A Shareholder, shall be entitled to
- 12 4 1 be registered as the holders of those shares (in which case the voting rights attaching to the Deceased's Shares shall remain suspended [unless the directors acting unanimously otherwise direct]),
- 12 4 2 seek the consent in writing of the Directors to transfer the remaining Deceased's Shares to an identified third party at a price not less than the Fair Value Such consent shall be reserved to the absolute discretion of the Directors who shall be entitled to withhold their consent without giving any reason
- 12 5 All voting rights attached to the Deceased's Shares shall immediately be suspended at the time of death of the relevant A Shareholder
- 12 6 Shares whose voting rights are suspended pursuant to this Article ("**Restricted Shares**") shall confer on the holders of the right to receive notice of and attend all general meetings of the Company but shall have no right to vote either in person or by proxy If any shares are transferred in accordance with these Articles the voting rights attached to the Restricted Shares so transferred shall upon completion of the transfer (as evidenced by the transferee's name being entered in the Company's register of Members (other than by way of registration of the personal representatives or Family Member as the holder of the Shares)) automatically be restored

13 DRAG ALONG

- 13 1 If a bona fide third party who is not an Associate of a Shareholder (the "**Purchaser**") makes an arms' length offer to the Shareholders (the "**Offer**") to acquire all of their Shares for cash (or for assets for which there is a ready market for sale in exchange for cash) then Shareholders who wish to accept the Offer (the "**Accepting Shareholders**") who hold 75% of the A Ordinary Shares at that time entitled to vote may give written notice to the Company signed by or on behalf of all of them (the "**Drag Along Notice**") stating

13 1 1 the identity of the Purchaser,

13 1 2 that they wish to accept the Offer,

13 1 3 the price per Share payable under the Offer (the "**Selling Share Price**"), and

13 1 4 any other conditions attaching to the Offer (the "**Selling Share Terms**")

- 13 2 Not later than the date five Clear Days after the date of service of the Drag Along Notice, the Directors shall serve a copy of it on all Shareholders who have not signed it The Company shall as soon as reasonably practicable

serve a copy of the Drag Along Notice on each person holding options over Shares or any convertible security of the Company (the "**Option Holders**") Any Option Holder who exercises a pre-existing option to acquire Shares or converts any convertible security of the Company on or at any time after the service of the Drag Along Notice by the Accepting Shareholders shall be deemed to have received the Drag Along Notice in his capacity as Shareholder in addition to his capacity as an Option Holder in respect of any Shares issued to him pursuant to such exercise and such person shall also thereafter be a Called Shareholder The provisions of this Article 13 shall therefore apply to such Option Holders except that completion of the sale of the Shares shall take place immediately on the later of (i) the Drag Along Notice being deemed to be served on the Option Holder and (ii) completion of the sale of the Accepting Shareholders' Shares

- 13.3 If not later than the date 20 Clear Days after the date of service of the Drag Along Notice the Directors or another Shareholder has not made or procured to be made an irrevocable and unconditional offer for all the issued Shares then held by the Accepting Shareholders on terms which in the reasonable opinion of the Shareholders (acting by Shareholder Consent) are better than the terms of the Offer, then all shareholders who have not already accepted the Offer (the "**Called Shareholders**") will be deemed to have accepted the Offer referred to in the Drag Along Notice and must transfer their Shares (by delivering the appropriate stock transfer forms, share certificates or a suitable indemnity in respect thereof) to the Purchaser on the 20th clear day following the expiry of the 20 clear day period against payment or delivery to them of the consideration as allocated between the Shareholders and subject always to **Article 22.5** but without requiring the Called Shareholders to assume any other obligation
- 13.4 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company within the period specified in **Article 13.3**, the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent and/or attorney to execute and deliver all necessary transfers on his behalf to the Purchaser (or its nominee(s)) to the extent the Purchaser has, at the expiration of the period specified in **Article 13.3**, put the Company in funds to pay the amounts due for the Called Shareholder's Shares offered to him The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company On surrender, he shall be entitled to the amount due to him pursuant in respect such Shares
- 13.5 The Offer shall not be subject to **Article 9**
- 13.6 If any person becomes a member of the Company (a "**New Member**") pursuant to the exercise of a pre-existing option or other rights to acquire shares after a Drag-Along Notice has been served, the New Member will be bound to transfer all shares acquired by him to the Purchaser or as the Purchaser may direct The provisions of **Articles 13.1 to 13.6** shall apply (with necessary changes) to the New Member, save that if the shares are acquired after the sale of shares by the Called Shareholders has been completed, completion of the sale of the New Member's Shares shall take place immediately on the New Member acquiring the Shares

14 TAG ALONG

- 14 1 The provisions of **Article 14.2** will apply if a Shareholder (a "**Proposed Seller**") proposes to transfer any Shares (a "**Proposed Transfer**") which would, if put into effect, result in any person (a "**Proposed Transferee**") acquiring a Controlling Interest in the Company
- 14 2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Transferee of an offer to the other Shareholders to acquire all of their Shares for a consideration per share the value of which is at least equal to the consideration per share offered to the Proposed Seller
- 14 3 The offer referred to in **Article 14.2** must be expressed to be capable of acceptance for a period of not less than 5 Clear Days and if it is accepted by any Shareholder (an "**Accepting Shareholder**") within that period, the completion of the Proposed Transfer will be conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders

15 NOTICE OF GENERAL MEETINGS

- 15 1 A notice convening a general meeting shall be required to specify the general nature of the business to be transacted only in the case of special business
- 15 2 All business shall be deemed special that is transacted at an extraordinary general meeting and also all that is transacted at an annual general meeting, with the exception of declaring a dividend, the consideration of the profit and loss account, balance sheet, and the reports of the Directors and Auditors, the appointment of, and the fixing of the remuneration of the Auditors and the giving or renewal of any authority in accordance with 551 of the Act
- 15 3 Every notice convening a general meeting shall comply with the provisions of section 325 of the Act as to giving information to Shareholders in regard to their right to appoint proxies, and notices of and other communications relating to any general meeting which any Shareholder is entitled to receive shall be sent to the Directors and to the auditor for the time being of the Company

16 PROCEEDINGS AT GENERAL MEETINGS

- 16 1 No business shall be transacted at any general meeting unless a quorum of Shareholders is present throughout the meeting A quorum shall consist of two Shareholders holding between them more than 60% of the Ordinary Shares present in person or by proxy or (in the case of a Shareholder being a corporation) by representative, save that if and for so long as the Company has only one person as a Shareholder, one Shareholder present in person or by proxy shall be a quorum

17 VOTE OF SHAREHOLDERS

- 17 1 Subject to any rights or restrictions for the time being attached to the Shares, on a show of hands every Shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a Shareholder entitled to vote) or (being a corporate body) is present by a representative or proxy (not being himself a Shareholder entitled to vote) shall have one vote

and, on a poll, each Shareholder shall have one vote for each share of which he is the holder

18 ALTERNATE DIRECTORS

- 18 1 Any Director (other than an alternate director) may appoint any other Director, or any other person approved by resolution of the Directors and willing to act, to be an alternative director and may remove from office an alternate director so appointed by him
- 18 2 An alternate director shall be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointer is a member (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him), to attend and vote at any such meeting at which the Director appointing him is not personally present and generally to perform all the functions of his appointer at such meeting as a Director in his absence. An alternate director shall not be entitled to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointer as such appointer may by notice in writing to the Company from time to time direct
- 18 3 A Director, may act as an alternate director to represent more than one Director, and an alternate director shall be entitled at any meeting of the Directors or of any committee of the Directors to one vote for every Director whom he represents in addition to his own vote (if any) as a Director, but he shall count as only one for the purpose of determining whether a quorum is present
- 18 4 An alternate director shall cease to be an alternate director if his appointor ceases to be a Director
- 18 5 Any appointment or removal of an alternate director shall be by notice to the company signed by the Director making or revoking the appointment or in any other manner approved by the Directors
- 18 6 Save as otherwise provided in these Articles, an alternate director shall be deemed for the purposes specified in **Article 18.2** to be a Director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the Director appointing him

19 APPOINTMENT AND RETIREMENT OF DIRECTORS

- 19 1 So long as a Shareholder holds 20% or more of the Ordinary Shares
- 19 1.1 that Shareholder will have the right to have one nominee of their choice appointed to act as a director of the Company (**Shareholder Director**). Such right may be exercised from time to time by written notice to the Company and the appointing Shareholder may also from time to time remove any such director and appoint a replacement,
- 19 1.2 a Shareholder Director shall be entitled to disclose to the appointing Shareholder such information concerning the

Company as the appointing Shareholder Director from time to time thinks fit,

19 1 3 a Shareholder Director shall not be required to hold any share qualification nor be subject to retirement by rotation and shall not be removed from office except by the appointing Shareholders

19 2 Each Shareholder Director will be entitled to attend and address all meetings of the Board and of the Members of each company within the Group and the Board will ensure that each Shareholder Director is given at least 5 Business Days prior notice of such meetings together with all appropriate notices, agendas and papers prepared for such Board Meetings or distributed to any of the directors

19 3 No business shall be transacted at any meeting of the Board except that specified in the agenda for such meeting unless a Shareholder Director is present and agrees to the transaction of such other business

20 DISQUALIFICATION AND REMOVAL OF DIRECTORS

20 1 Notwithstanding the provisions of **Article 19** a person ceases to be a Director as soon as

20 1 1 that person ceases to be a Director by virtue of any provision of the Act, or these Articles or is prohibited from being a director by law, or

20 1 2 a bankruptcy order is made against that person, or

20 1 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,

20 1 4 a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,

20 1 5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,

20 1 6 notification is received by the company from the Director that the Director is resigning from office, and such resignation has taken effect in accordance with its terms, or

20 1 7 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of Directors held during that period and the Directors resolve that his office be vacated

21 DIRECTORS INTERESTS

21 1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of

these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind

21 1 1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested,

21 1 2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

21 1 3 where a Director (or a person connected with him) is a shareholder in the Company or a shareholder in, employee, director, member, trustee or other officer of, or consultant to, a Holding Company of, or a Subsidiary of a Holding Company of, the Company or any other body corporate promoted by the Company or in which the Company is in any way interested,

21 1 4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,

21 1 5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested,

21 1 6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,

21 1 7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or

21 1 8 any other interest authorised by ordinary resolution

21 2 For the purposes of this **Article 21**, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

21 3 In any situation permitted by this **Article 21** (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the

Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

21 4 The board of Directors shall, for the purposes of section 175 of the Act, have the power to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a director under that section to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director ("**Interested Director**") who has proposed that the Directors authorise his interest ("**Relevant Interest**") pursuant to that section may, for the avoidance of doubt.

21 4 1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors (excluding the Interested Director) as they see fit from time to time, including, without limitation

- (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest,
- (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed, or
- (c) restricting the application of the provisions in **Articles 21.5 and 21.6**, so far as is permitted by law, in respect of such Interested Director,

21 4 2 be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Situation as they see fit from time to time, and

21 4 3 an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this **Article 21**

21 5 Subject to **Article 21.6** (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this **Article 21**), if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required

21 5 1 to disclose such information to the Company or to any Director, or to any officer or employee of the Company, or

21 5 2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director

21 6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, **Article 21.5** shall apply only if the conflict arises out of a matter which falls within **Article 21.1** or has been authorised under section 175(5)(a) of the Act

21 7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation

21 7 1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered, and

21 7 2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information

21 8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by **Article 21.1** at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest

21 8 1 falling under **Article 21.1.8**,

21 8 2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

21 8 3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

21 9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this **Article 21**

21 10 Subject to Article 21 1 and 21 8, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company shall be counted in the quorum for and shall be entitled to attend and vote at any meeting of the board (or committee thereof) or

participate in any unanimous decision in respect of such existing or proposed transaction or arrangement in which he is interested

21 11 For the purposes of this **Article 21**:

a conflict of interest includes a conflict of interest and duty and a conflict of duties,

21 11 1 the provisions of section 252 of the Act shall determine whether a person is connected with a Director,

21 11 2 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified

22 PROCEEDINGS OF DIRECTORS

22 1 The Quorum for the transaction of business of the Board shall throughout the meeting be two Shareholder Directors, save that if and for so long as the Company has only one Shareholder Director the quorum shall throughout the meeting be one Shareholder Director and one other director If and for so long as the Company has no Shareholder Directors, the quorum shall through the meeting be two directors

22 2 The Directors may meet together for the dispatch of business, adjourn and otherwise regulate their meetings as they think fit Unless all Directors indicate their willingness to accept shorter notice of a meeting of the Directors, at least 5 Business Days' prior notice of the time and place of each meeting of the Directors shall be given

22 3 A Director may, and the Secretary on the requisition of a Director shall, at any time summon a meeting of the Directors Notice of every meeting of the Directors shall be given to every Director (or alternate director) in accordance with the provisions referred to in **Article 22.1** but the non-receipt of notice by any Director shall not of itself invalidate the proceedings at any meeting of the Directors

22 4 All decisions of the Directors made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution or resolutions at any meeting of the Directors (or any committee of the Directors) shall be determined by a majority of votes

22 5 A decision of the Directors is taken in accordance with this article when all eligible Directors indicate to each other by any means that they share a common view on a matter

22 5 1 such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible Director or to which each eligible Director has otherwise indicated agreement in writing

22 5 2 references in this article to eligible Directors are to Directors who would have been entitled to vote on the matter had it been proposed as a resolution at a Directors' meeting

22 5 3 a decision may not be taken in accordance with this article if the eligible Directors would not have formed a quorum at such a meeting

22 6 The Directors (acting with Shareholder Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

22 7 Model articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Shareholder Consent)" following each reference to "the directors" in such model articles

23 THE SEAL

23 1 If the Company has a Seal it shall only be used with the authority of the Directors or of a committee of the Directors. The Directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined every instrument to which the seal is affixed shall be signed by those persons specified in section 44 (2) of the Act

24 CAPITALISATION OF PROFITS

24 1 The words "special resolution" shall be substituted for the words "ordinary resolution" in Article 36 (1) of the Model Articles

25 GRATUITIES AND PENSIONS

25 1 The Company and the Directors may exercise any powers of the Company to give and provide pensions, annuities, gratuities or any other benefits whatsoever to or for past or present Directors or employees (or their dependants) of the Company or any Subsidiary and the Directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of any such powers

26 NOTICES

26 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

26.1 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),

26 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

26 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

26 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

For the purposes of this **Article 26.1**, no account shall be taken of any part of a day that is not a working day

26.2 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

27 INDEMNITY

27 1 Subject to the provisions of the Act every Director (including an alternate director) or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the lawful execution of the duties of his office or otherwise in relation thereto, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 660 to 661 or section 1157 of the Act in which relief is granted to him by the court, and no Director (including an alternate director) or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the lawful execution of the duties of his office or in relation thereto

27 2 The Directors shall have power to purchase and maintain at the expense of the Company for the benefit of any Director (including an alternate director) or officer of the Company insurance against any liability as is referred to in section 232(2) of the Act and, subject to the provisions of the Act, against any other liability which may attach to him or loss or expenditure which he may incur in relation to anything done or alleged to have been done or omitted to be done as a Director, (including as an alternative director) officer

27 3 The Directors may authorise the Directors of companies within the same group of companies as the Company to purchase and maintain insurance at the expense of the Company for the benefit of any Director (including an alternate director), other officer or auditor of such company in respect of such liability, loss or expenditure as is referred to in **Article 27.2**