

Company number: 06796932

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

The Auto Work Shop Limited

(previously known as Pheonix Vehicle Management Limited)

Adopted by special resolution on 17<sup>th</sup> May 2022

## INTRODUCTION

### 1. Interpretation

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

Act: means the Companies Act 2006.

Appointor: has the meaning given in Article 12.1.

Articles: means the company's articles of association for the time being in force.

Available Profits: means profits available for distribution within the meaning of part 23 of the Act.

Business Day: means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

Conflict: has the meaning given in Article 8.1.

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

Equity Shares: means together the A Ordinary Shares, B Ordinary Shares and the C Ordinary Shares

Equity Shareholders: means the holders of Equity Shares

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

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

**Ordinary A Share:** means an ordinary share of £1.00 in the capital of the Company designated as an Ordinary A Share which shall have full dividend rights, full voting rights, rights to attend and receive notices for general meetings and participate in a distribution of capital (including on winding up).

**Ordinary B Share:** means an ordinary shares of £1.00 each in the capital of the Company designated as an Ordinary B Share which shall have full dividend rights, full voting rights, rights to attend and receive notices for general meetings and participate in a distribution of capital (including on winding up).

**Ordinary C Share:** means an ordinary shares of £1.00 each in the capital of the Company designated as an Ordinary C Share which shall have full dividend rights, full voting rights, rights to attend and receive notices for general meetings and participate in a distribution of capital (including on winding up).

**Sale Price:** has the meaning given in Article 22.1

**Shareholders' Agreement:** means the shareholders' agreement dated on or around the date of adoption of these Articles between (1) the Company and (2) the Equity Shareholders

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

2. Adoption of the Model Articles

- 2.1 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 2.2 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(2), (3) and (4), 17(2), 18(e), 26(5), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 2.3 Article 7 of the Model Articles shall be amended by the insertion of the words “for the time being” at the end of Article 7(2)(a).
- 2.4 Article 14(1) of the Model Articles there shall be substituted for the words following “in which a director is interested” the words “that director is to be counted as participating in the decision-making process for quorum or voting purposes provided that the director discloses the interest in accordance with either Section 177 or Section 182 of the Act (as the case may be)”.
- 2.5 Article 18(f) of the Model Articles there shall be substituted for the words “notification is received by the company from the director” the words “the director leaves at the company’s registered office notification”.
- 2.6 Article 20 of the Model Articles shall be amended by the insertion of the words “(including alternate directors)” before the words “properly incur”.
- 2.7 Article 22(1) of the Model Articles there shall be substituted for the words following “such rights or restrictions” the words “as may be determined by special resolution or attach such rights or restrictions to existing shares”.
- 2.8 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”.
- 2.9 Article 27(3) of the Model Articles shall be amended by the insertion of the words “, subject to article 10,” after the word “But”.
- 2.10 Article 29 of the Model Articles shall be amended by the insertion of the words “, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles,” after the words “the transmittee’s name”.
- 2.11 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words “either” and “or as the directors may otherwise decide”. Article 31(d) of the Model Articles shall be amended by the deletion of the words “either” and “or by such other means as the directors decide”.
- 2.12 Article 41(1) of the Model Articles after the words “the chairman of the meeting must adjourn it” there shall be added the words “unless the meeting is convened on the requisition of the members in which case the meeting shall be dissolved”.
- 2.13 Article 41 of the Model Articles, after paragraph (5) there shall be added the following paragraph “(6) If the person or persons attending the adjourned general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, that person or those

persons present shall constitute a quorum.” and the existing paragraph (6) shall be renumbered accordingly.

## DIRECTORS

### 3. Unanimous decisions

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

3.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.

3.3 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.

### 4. Calling a directors' meeting

4.1 Any director may call a directors' meeting by giving notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

4.2 Notice of a directors' meeting shall be given to each director in writing.

### 5. Quorum for directors' meetings

5.1 Subject to article 5.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors.

5.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 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.

5.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:

5.3.1 to appoint further directors; or

5.3.2 to call a general meeting so as to enable the shareholders to appoint further directors.

### 6. Casting vote

6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall not have a casting vote.

7. Transactions or other arrangements with the company

7.1 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 Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- 7.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- 7.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
- 7.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
- 7.1.4 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;
- 7.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 7.1.6 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 transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8. Directors' conflicts of interest

8.1 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).

8.2 Any authorisation under this article 8 will be effective only if:

- 8.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles;
- 8.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and

- 8.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 8.3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
- 8.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 8.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 8.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - 8.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
  - 8.3.5 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
  - 8.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 8.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
9. Records of decisions to be kept
- Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.

10. Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be subject to no maximum number but shall not be less than two.

11. Appointment of directors

In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

12. Appointment and removal of alternate directors

12.1 Any director (appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:

12.1.1 exercise that director's powers; and

12.1.2 carry out that director's responsibilities,

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

12.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

12.3 The notice must:

12.3.1 identify the proposed alternate; and

12.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

13. Rights and responsibilities of alternate directors

13.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the alternate's appointor.

13.2 Except as the Articles specify otherwise, alternate directors:

13.2.1 are deemed for all purposes to be directors;

13.2.2 are liable for their own acts and omissions;

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

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

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

13.3 A person who is an alternate director but not a director:

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

13.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and

13.3.3 shall not be counted as more than one director for the purposes of article 13.3.

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

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

14. Termination of alternate directorship

14.1 An alternate director's appointment as an alternate terminates:

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

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

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

14.1.4 when the alternate's appointor's appointment as a director terminates.

## SHARES AND DISTRIBUTIONS

15. Share issue

15.1 The Shares of the Company shall be:

15.1.1 Ordinary A Shares;

15.1.2 Ordinary B Shares; or

15.1.3 Ordinary C Shares.



- 15.2 The shares shall rank parri passu save as set out herein.
16. Dividends
- 16.1 In respect of any Financial Year, the Available Profits of the Company shall be used to pay dividends as set out in this article 16.
- 16.2 The Directors may declare a dividend to the Ordinary A Shares, Ordinary B Shares and Ordinary C Shares in such proportions as they deem reasonable (to include a nil dividend to all or any class of shares) and in compliance with any obligations to the Shareholders provided that:
- 16.2.1 this dividend is payable in respect of each accounting reference period of the Company only if, it is lawfully possible in the exercise of their rights and powers as a shareholder of the Company;
- 16.2.2 the directors' decision under article 16.2, which is conclusive, must be based on consideration of the Company's distributable profits for the relevant period together with all necessary, reasonable and prudent provisions and reserves for taxation, for the repayment of borrowings by the Company (if any), minority interests and extraordinary items as shown in the financial projections and accounts for that year;
- 16.2.3 the profits to be considered under article 16.2.2 are those shown in the accounts (whether certified or not) for the relevant period.
- 16.3 The provisions of Section 561 and 562 of the Act do not apply to the Company.
- 16.4 Subject to the Act, the Directors may pay interim dividends provided that:
- 16.4.1 the Available Profits of the Company justify the payment; and
- 16.4.2 the Company has reserves to satisfy all liabilities and planned expenditure.
- 16.5 Every ordinary resolution by which a dividend is declared shall direct that such dividend be paid in respect of one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares.
- 16.6 Where a dividend is declared in respect of more than one class of shares the Company may, by ordinary resolution, differentiate between such classes as to the amount or percentage of dividend payable, but in default the share in each such class shall be deemed to rank parri passu in all respects as if they constituted one class of shares.
- 16.7 When paying interim dividends the directors may make payments to one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares. When making such payments the directors may differentiate between the classes to which payments are being made as to the amount or percentage of dividend payable.
- 16.8 Each dividend shall be distributed to the appropriate Ordinary A Shareholders, Ordinary B Shareholders and Ordinary C Shareholders according to the number of shares they hold unless the Directors resolve otherwise. All dividends are expressed net and shall be paid in cash.

- 16.9 Model Articles 30 and 36 shall be modified accordingly.
17. Purchase of own shares
- 17.1 Subject to the Act but without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 17.1.1 £15,000; and
- 17.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.
18. Issues of Shares
- 18.1 Subject to these Articles the pre-emption provisions of sections 561 and 562 of the Act shall apply to any allotment of the Company's Equity Shares, provided that:
- 18.1.1 any allotment of the Company's equity securities shall comprise A Ordinary Shares, B Ordinary Shares and C Ordinary Shares, the respective numbers of A Ordinary Shares, B Ordinary Shares and C Ordinary Shares comprised in any such allotment to be calculated according to the proportions which each of the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares in issue immediately prior to such allotment bears to the aggregate number of Equity Shares in issue immediately prior to such allotment;
- 18.1.2 the period specified in section 562(5) of the Act shall be 5 Business Days;
- 18.1.3 the Equity Shareholders who accept Shares shall be entitled to indicate that they would accept Shares that have not been accepted by other Equity Shareholders ("Excess Shares") on the same terms as originally offered to all Equity Shareholders and the following provisions shall apply:
- (a) it shall be a term of the allotment that, if Equity Shareholders of more than one class indicate that they would accept some or all of the Excess Shares, the Excess Shares shall be treated as having been offered, first, to all Equity Shareholders holding Shares of the same class as the Excess Shares in priority to all other classes of Equity Shareholder and thereafter, to the extent that all of the Excess Shares have not been applied for by such class of Equity Shareholder, the Excess Shares shall be treated as having been offered to all of the Equity Shareholders holding the other classes of Shares;
- (b) subject always to Article 118.1.3(a), any Shares not so accepted shall be allotted to the Equity Shareholders who have indicated they would accept Excess Shares; and
- (c) such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Shareholders or, if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all the Excess Shares they have indicated they would accept, then the Excess Shares shall be allotted as

nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares applied for

18.2 The pre-emption provisions of section 561 and section 562 of the Act shall not apply:

18.2.1 where so agreed in writing by the Company; or

18.2.2 to any allotment of Equity Shares made in exchange for the transfer to the Company of shares in another company.

19. Provisions Applying on Every Transfer of Shares

19.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee.

19.2 If the directors refuse to register the transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company, send the notice of refusal to the transferee together with (unless the directors suspect that the proposed transfer may be fraudulent) the instrument of transfer.

19.3 The directors may refuse to register the transfer of a Share which is not fully paid to a person of whom they do not approve and they may refuse to register the transfer of a Share on which the Company has a lien. They may also refuse to register a transfer unless:

19.3.1 it is lodged at the registered office or at such other place as the directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

19.3.2 it is in respect of only one class of shares; and

19.3.3 it is in favour of not more than four transferees.

19.4 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles or the Shareholders' Agreement but, subject to Article 119.3, shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles and the Shareholders' Agreement, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question. Any transfer of Shares made or purported to be made in contravention of the provisions of these Articles or the Shareholders' Agreement shall be of no effect.

19.5 No Shares may be transferred unless:

- 19.5.1 save for transfers pursuant to Articles 20 or 23, the required consent under the Shareholders' Agreement has been obtained and any conditions to that consent or as agreed between the Equity Shareholders (or the Shareholders amongst others) have been satisfied and subject to any restrictions; and
  - 19.5.2 save where otherwise agreed by the Company's consent, the proposed transferee has entered into an agreement to be bound by the Shareholders' Agreement in the form required.
- 19.6 A reference in these Articles to a transfer of Shares shall include:
  - 19.6.1 a transfer of any interest in Shares (whether legal, beneficial or otherwise) including without limitation to any transmittee; and
  - 19.6.2 any charge, mortgage, option or other encumbrance granted over Shares (including any direction by way of renunciation or otherwise by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some other person),and these Articles shall take effect accordingly.
- 20. Transfers of Shares
  - 20.1 Notwithstanding any other provision in these Articles, the following transfers may be made (without restriction as to price or otherwise and any such transfers shall be registered by the directors (subject to stamping)):
    - 20.1.1 Transfers to group companies

Any holder of Equity Shares which is a body corporate may transfer any such shares to its ultimate parent company or any other body corporate Controlled, directly or indirectly, by it or its ultimate parent company provided always that the transferee gives an undertaking to the Company that, in the event of any such body corporate ceasing to be under the Control, directly or indirectly, of the original Shareholder or such ultimate parent company, immediately prior to it so ceasing such Shares shall be transferred to another body corporate under such Control (or to another person to whom such Shares may be transferred pursuant to this Article 20) save that this proviso shall not apply where the body corporate remains a person to whom such Shares may be transferred pursuant to this Article 20 following such change of Control;
    - 20.1.2 Transfers from an Employee Trust

The trustee or trustees of an Employee Trust may, with Company consent, at any time transfer all or any Shares held by it to an Employee (and subject to any conditions or restrictions including as to price in such consent) at a price not less than the price paid per Share by the Employee Trust.
    - 20.1.3 Transfers to the Company

Any holder of Shares may at any time, with Company consent (and subject to any conditions or restrictions including as to price in such consent), transfer Shares to the Company in accordance with the Act and these Articles.

#### 20.1.4 Transfers of Shares with Equity Shareholder Consent

A transfer of any Equity Shares made with Equity Shareholder consent may be made without restriction as to price or otherwise (save for any restrictions in such consent and subject to the satisfaction of any conditions in such consent).

### 21. Pre-emption Rights

#### 21.1 Transfer Notice

Except in the case of a transfer pursuant to, or that gives rise to the rights granted to any Shareholder under, Articles 20 or 23, a Shareholder who wishes to transfer any Shares (the "Seller") shall give written notice to the Company (a "Transfer Notice"). Each Transfer Notice shall:

- 21.1.1 relate to one class of Shares only;
- 21.1.2 specify the number and class of Shares which the Seller wishes to transfer pursuant to that Transfer Notice (the "Sale Shares");
- 21.1.3 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares, if any;
- 21.1.4 specify the Sale Price at which the Seller wishes to transfer the Sale Shares;
- 21.1.5 be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles; and
- 21.1.6 not be varied or cancelled without Founder Shareholder Consent.

#### 21.2 Total Transfer Condition

The Seller may provide in the Transfer Notice that, unless buyers are found for all of the Sale Shares (and all of the Sale Shares referred to in any other Transfer Notice(s) served by the Seller on the same date), he shall not be bound to transfer any of such Shares ("Total Transfer Condition") and any such provision shall be binding on the Company. Notwithstanding the other provisions of this Article, if the Transfer Notice contains a Total Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for all such Shares.

#### 21.3 Offer Notice

- 21.3.1 The Company shall give notice in writing to each of the Shareholders of the relevant class, being for such purposes each Shareholder registered as such on the date of service or deemed service of the Transfer Notice (other than the Seller and any Shareholder who has served or is deemed to have served a Transfer Notice which is still outstanding (a "Relevant Shareholder")) offering for sale the Sale Shares at the Sale Price (an "Offer Notice").
- 21.3.2 The Offer Notice shall include the details set out in the Transfer Notice and specify the basis on which the Sale Shares will be allocated and that each Relevant Shareholder

shall have a period of 15 Business Days from the date of the Offer Notice within which to apply for some or all of the Sale Shares (the "Expiry Date").

- 21.3.3 It shall be a term of the offer pursuant to a Transfer Notice that, if Relevant Shareholders of more than one class apply for some or all of the Sale Shares, the Sale Shares shall be treated as having been offered in equal manner and without priority to all Relevant Shareholders.
- 21.3.4 It shall be a further term of the offer that, if there are applications from any class of Relevant Shareholder for more than the total number of Sale Shares available to that Relevant Shareholder such Sale Shares shall be treated as being offered among such Relevant Shareholders in proportion (as nearly as may be) to their existing holdings of Shares (the "Proportionate Allocation") (subject to the maximum number of Sale Shares applied for by each Relevant Shareholder). However, in his application for Sale Shares a Relevant Shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Proportionate Allocation ("Extra Shares").
- 21.3.5 In respect of Relevant Shareholder to whom the Sale Shares are offered, the Company shall allocate the Sale Shares as follows:
  - (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each such Relevant Shareholder shall be allocated the number applied for in accordance with his application; or
  - (b) if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each such Relevant Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and any if there are then any unallocated Sale Shares, such Sale Shares shall be allocated to each Relevant Shareholder who has applied for Extra Shares (subject to the maximum number of Extra Shares applied for) provided that if there are insufficient unallocated Sale Shares to meet such applications, among those Relevant Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the relative proportions of all the Shares of the relevant class held by such Relevant Shareholder.
- 21.3.6 Allocations of Sale Shares made by the Company in accordance with this Article 21 shall constitute the acceptance by the Relevant Shareholders to whom they are allocated of the offer to purchase such Sale Shares on the terms offered to them.
- 21.3.7 If all the Sale Shares are not sold under the pre-emption provisions contained in this Article 21, the Company shall (forthwith upon the exhaustion of such provisions) so notify the Seller and the Seller shall not, without the prior sanction of the Board (with Equity Shareholder consent), be entitled to sell any of the Sale Shares for which no buyer has been found (unless required or entitled to sell in accordance with Article 23).

#### 21.4 Redesignation following Transfer

Upon completion of the transfer of any Shares made pursuant to the exercise of the pre-emption rights in accordance with this Article 21, and prior to (and as a condition to) the registration of such transfer:

- 21.4.1 All Ordinary B and/or Ordinary C Shares transferred to any holder of Ordinary A Shares shall be designated or re-designated A Ordinary Shares;
- 21.4.2 all Ordinary Shares A and/or C Ordinary Shares transferred to any holder of Ordinary B Shares shall be designated or re-designated Ordinary B Shares; and
- 21.4.3 All Ordinary A and/or Ordinary B Shares transferred to any holder of Ordinary C Shares shall be designated or re-designated C Ordinary Shares.

## 22. Transfer Arrangements

### 22.1 Sale Price

Save as otherwise provided in these Articles, the price per Share (or price per Share of each different class held) applicable on a transfer of Shares (the "Sale Price") shall be the price stated to be the Sale Price in such Transfer Notice.

### 22.2 Completion Notice

- 22.2.1 Where a Transfer Notice has been served or deemed to have been served then within 5 Business Days of either the allocation of all the Sale Shares pursuant to Article 21 or (where not all Sale Shares are so allocated) the Expiry Date, the Company shall give written notice to each Offeree and the selling Shareholder setting out the number of Sale Shares (of each class) allocated to the Offeree, the aggregate price payable therefor, the Sale Price and the name and address of the Offeree (each a "Completion Notice").
- 22.2.2 Completion of the sale and purchase of the Sale Shares shall take place within 5 Business Days of the date of service of the Completion Notice whereupon the Seller shall, subject (save where the Offeree is the Company) to payment by each Offeree to the Company on behalf of the Seller of the price due in respect thereof, transfer the Sale Shares to the Offeree as specified in the Completion Notice and deliver the relevant share certificate(s) to the Company. Provided it has received the relevant share certificate(s) and duly executed stock transfer form(s), the Company shall release and pay to the Seller the purchase monies for the Sale Shares.
- 22.2.3 If the Seller defaults in transferring any Sale Shares pursuant to Article 22.2.2 to any Offeree or Offerees, the Company may hold the relevant purchase money received from the Offeree(s) and may nominate some person to execute a stock transfer form or forms in respect of such Sale Shares in the name of and on behalf of the Seller. On receipt of the relevant Seller's share certificate (or an indemnity in a form reasonably satisfactory to the Company) the Company shall release and pay to the Seller the purchase monies for such Sale Shares. As security for its obligations under this Article 22.2 and the other Articles, each holder of Equity Shares hereby irrevocably appoints the Company as its agent to execute and deliver any document and to take any action in its own name and on its own behalf which it is required to execute or take under these Articles together

with any other documents or actions necessary or desirable in connection with such obligations.

- 22.2.4 Following stamping of any stock transfer form(s) executed by the Seller or on its behalf in accordance with Articles 22.2.2 or 22.2.3, the directors shall register the transfer(s). The Company's receipt for any purchase monies received under Articles 22.2.2 shall be a good discharge to the Offeree(s) and the Company shall hold any such purchase monies on trust for the Seller and the Company shall not pay any interest to the Seller or Offeree nor be under any obligation to pay any such interest (which shall be for the benefit of the Company). After the name of an Offeree has been so entered in the register of members, the transfer shall be validly registered.

## 23. Tag Along and Drag Along Rights

### 23.1 Tag Along

- 23.1.1 If at any time the a majority of the Shareholders (the "Proposed Sellers") proposes to sell (subject to the provisions of the Shareholders' Agreement), in one or a series of related transactions, a majority in nominal value of the Equity Shares (the "Majority Holding") other than pursuant to Article 20, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this Article.
- 23.1.2 The Proposed Sellers shall give written notice (the "Proposed Sale Notice") to the other holders of Equity Shares of such intended sale at least 10 Business Days prior to the intended date thereof. The Proposed Sale Notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "Proposed Buyer"), the purchase price and other terms and conditions of payment, the proposed date of sale (the "Proposed Sale Date") and the number of Shares proposed to be purchased by the Proposed Buyer (the "Proposed Sale Shares").
- 23.1.3 Any other holder of Equity Shares shall be entitled, by written notice given to the Proposed Sellers within 5 Business Days of receipt of the Proposed Sale Notice, to be permitted to sell all of his Shares to the Proposed Buyer on the same terms and conditions as those set out in the Proposed Sale Notice.
- 23.1.4 If any other holder of Equity Shares is not given the rights accorded him by the provisions of this Article, the Proposed Sellers shall be required not to complete their sale and the directors shall be bound to refuse to register any transfer intended to carry such a sale into effect.

### 23.2 Drag Along

- 23.2.1 In these Articles a "Qualifying Offer" shall mean an offer in writing by or on behalf of any unconnected third party (the "Offeror") for the entire equity share capital of the Company not already owned by the Offeror or persons connected with the Offeror.
- 23.2.2 If a majority of the Shareholders (the "Accepting Shareholders") have indicated in writing to the Company they wish to accept the Qualifying Offer, and have such consents as a re required under the Shareholders' Agreement to their proposed acceptance, then the provisions of this Article 23.2 shall apply.



- 23.2.3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (the "Other Shareholders") of their wish to accept the Qualifying Offer and shall thereupon become entitled to transfer their Shares to the Offeror (or his nominee) and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee(s)) with full title guarantee on the date specified by the Accepting Shareholders.
- 23.2.4 If any Other Shareholder shall not, within 5 Business Days of being required to do so, execute and deliver such documents and take such other action necessary or desirable in connection with the transfer (including executing and delivering stock transfer form(s) in respect of the Shares held by him and delivering the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof)), then any Accepting Shareholder shall be entitled (as such other Shareholder's agent) to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute any such documents and take any such other action on such Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such stock transfer form(s) and certificate(s) or indemnities to the Offeror (or his nominee(s)) and the directors shall register such Offeror (or his nominee(s)) (or any such other documents) as the holder thereof and, after such registration, any such transfer shall be validly registered. The Company shall not pay nor be under any obligation to pay any interest to any Other Shareholder (or Offeror) on any such consideration held on trust by the Company for any Other Shareholder (and any such interest shall be for the benefit of the Company). The Company shall pay to the Other Shareholder any such consideration held by the Company following receipt of the relevant share certificates.

#### DECISION MAKING BY SHAREHOLDERS

##### 24. Poll votes

- 24.1 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.
- 24.2 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.

##### 25. Proxies

- 25.1 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".
- 25.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

## ADMINISTRATIVE ARRANGEMENTS

- 26. Means of communication to be used
- 26.1 Subject to Article 26.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
  - 26.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
  - 26.1.2 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9 a.m. on the fifth Business Day after posting; or
  - 26.1.3 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
  - 26.1.4 if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or
  - 26.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
  - 26.1.6 if deemed receipt under the previous paragraphs of this Article 26.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 26.2 To prove service, it is sufficient to prove that:
  - 26.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or
  - 26.2.2 if sent by post, the envelope containing the notice was properly addressed, paid for and posted; or
  - 26.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.
- 27. Indemnity
- 27.1 Subject to Article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
  - 27.1.1 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

- 27.1.2 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 27.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 27.2 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.
- 27.3 In this article:
- 27.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
  - 27.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).
28. Insurance
- 28.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.
- 28.2 In this article:
- 28.2.1 a relevant officer means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);
  - 28.2.2 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

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