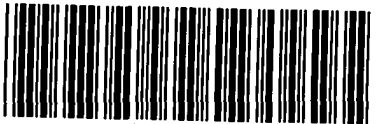

ARTICLES OF ASSOCIATION
of
WORTHENSHAW'S LTD

Brabners

100 Barbirolli Square
Manchester
M2 3BD
0161 836 8800

THURSDAY



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A03 11/05/2023 #180
COMPANIES HOUSE

Company number: 06973781

PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
WORTHENSHAW LTD (the Company)

INTRODUCTION

1. Interpretation

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

Act	the Companies Act 2006.
appointor	has the meaning given in article 10.1.
Arrears	all arrears, accruals and deficiencies of any dividend (including the Preference Dividend) or other sums payable in respect of the relevant Share to the extent earned or declared and irrespective of whether or not the Company has had, at any time, sufficient distributable profits to pay such dividend or sums, together with all interest and other amounts payable thereon.
Articles	the Company's articles of association for the time being in force.
Asset Sale	the completion of a sale of all or substantially all of the assets of the Company to a single purchaser (or to one or more purchasers as part of a single transaction), including by way of licence.
Available Profits	profits available for distribution within the meaning of section 830 of the Act.
Board	the board of directors of the Company (as constituted from time to time).
Business Day	a 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 7.1.
eligible director	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).
Founder	Kirsty Henshaw (for as long as she is a Member).
Initial Preference Shares	those Preference Shares to be issued to Michael Fraine on or around the date of the adoption of these Articles;
Member	a holder of Shares.
Model Articles	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 Member	a holder of Ordinary Shares.
Ordinary Share	an ordinary share of 10p in the capital of the Company having the rights set out in these Articles.
Preference Dividend	has the meaning given in article 16.1.
Preference Share	a preference share of £1 in the capital of the Company having the rights set out in these Articles.
Preference Share Issue Date	the date of issue of the Preference Shares.
Preference Share Issue Price	the sum of £1 for each Preference Share held.
Prescribed Period	the period commencing on the Notice Date (as defined in article 19.3) and ending on the last day of either the First Period or the Second Period in accordance with article 19.6 or article 19.7 (as applicable).
Sale	the transfer (whether through a single transaction or a series of transactions) for value of Ordinary Shares or rights over Ordinary Shares which in the aggregate carry 50% or more of the voting rights attaching to the issued share capital of the Company to any Third Party Purchaser.
Shareholders Agreement	any shareholders agreement relating to the Company from time to time.
Shares	the Ordinary Shares and the Preference Shares.
Third Party Purchaser	any person (or persons connected with each other, or persons acting in concert with each other (within the meaning given in the City Code on Takeovers and Mergers as in force at the date of the transfer)) who are bona fide third parties acting in good faith (not being a Member or an associate (within the meaning of section 435 Insolvency Act 1986) of a Member).
Transfer Notice	has the meaning given in article 19.2.
Valuers	the auditors of the Company or, where the Company does not have auditors, the reporting accountants engaged by the Company from time to time.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.

- 1.5 Unless expressly provided otherwise, a reference to legislation or a legislative provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to legislation or a legislative provision shall include all subordinate legislation made from time to time under that legislation or legislative provision.
- 1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 Any consent (or similar right) of the Founder as set out in these Articles shall only apply for so long as the Founder holds Shares.
- 1.10 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.
- 1.11 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.12 Article 7 of the Model Articles shall be amended by:
 - 1.12.1 the insertion of the words "for the time being" at the end of article 7(2)(a);
 - 1.12.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"; and
 - 1.12.3 the insertion of the words at the end of article 7(2) "A sole director shall be entitled to exercise all powers and discretions conferred on the directors by the Act or the articles and nothing in these Articles is to be construed as requiring the Company to have more than one director".
- 1.13 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.14 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.15 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.16 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.17 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

DIRECTORS

2. Unanimous Decisions

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

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

2.3 A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

3. Calling a Directors' Meeting

Any director may call a directors' meeting by giving not less than 5 Business Days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice.

4. Quorum for Directors' Meetings

4.1 Subject to article 4.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors, unless there is only one director in office for the time being, in which case, that director shall form a quorum.

4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director.

4.3 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:

4.3.1 to appoint further directors; or

4.3.2 to call a general meeting so as to enable the Ordinary Members to appoint further directors.

5. Casting Vote

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

6. Transactions or other Arrangements with the Company

6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he or she has declared the nature and extent of his or her interest in accordance with the requirements of the 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:

6.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;

6.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he or she is interested;

6.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he or she is interested;

6.1.4 may act by himself or herself, or his or her firm in a professional capacity for the Company (otherwise than as auditor) and he or she, or his or her firm shall be entitled to remuneration for professional services as if he or she were not a director;

- 6.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 6.1.6 shall not, save as he or she may otherwise agree, be accountable to the Company for any benefit which he or she (or a person connected with him or her (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his or her duty under section 176 of the Act.

7. **Directors' Conflicts of Interest**

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

- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself or herself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he or she derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

8. Records of Decisions to be Kept

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

9. 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.

10. Appointment and Removal of Alternate Directors

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

10.1.1 exercise that director's powers; and

10.1.2 carry out that director's responsibilities,

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

- 10.2 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.

- 10.3 The notice must:

10.3.1 identify the proposed alternate; and

10.3.2 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.

11. Rights and Responsibilities of Alternate Directors

- 11.1 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.

- 11.2 Except as the Articles specify otherwise, alternate directors:

11.2.1 are deemed for all purposes to be directors;

11.2.2 are liable for their own acts and omissions;

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

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

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

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

11.3.1 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);

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

11.3.3 shall not be counted as more than one director for the purposes of article 11.3.1 and article 11.3.2.

11.4 A director who is also an alternate director is entitled, in the absence of his or her appointor, to a separate vote on behalf of his or her appointor, in addition to his or her own vote on any decision of the directors (provided that his or her appointor is an eligible director in relation to that decision).

11.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as his or her 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.

12. Termination of Alternate Directorship

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

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

12.1.2 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;

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

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

13. Secretary

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

SHARES

14. Share Rights

14.1 As regards dividends, the Company shall apply any Available Profits which the directors resolve thereafter to distribute in any such year first in paying the Preference Dividend and any balance

of such Available Profits in paying to the holders of the Ordinary Shares pro rata by reference to the number of such Ordinary Shares held.

- 14.2 As regards capital on a return of assets on liquidation or capital reduction or otherwise, the proceeds or (as applicable) the assets of the Company remaining after the payment of its liabilities (including any Arrears) shall be applied as follows:

14.2.1 first, in paying to the holders of the Preference Shares the Preference Share Issue Price; and

14.2.2 second, the balance (if any) of such assets shall be distributed amongst the Ordinary Members pro rata by reference to the number of Ordinary Shares held.

- 14.3 As regards voting in general meetings, the holders of the Ordinary Shares shall be entitled to receive notice of, and to attend and vote at, general meetings of the Company. On a show of hands every Ordinary Member who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy shall have one vote and on a poll every Ordinary Member so present shall have one vote for each such Ordinary Share held by him or her. The holders of the Preference Shares shall not be entitled to receive notice of, or to attend and vote at, general meetings of the Company.

15. Rights on an Exit

- 15.1 In the event of an Asset Sale, the Company shall thereupon be wound up and the assets available distributed in accordance with article 14.2.

- 15.2 In the event of a Sale, the members shall ensure that the total of all and any consideration received (whether in cash or otherwise) in respect of the Shares that are the subject of the Sale are re-allocated between the sellers of such Shares so as to ensure that the Sale proceeds are distributed in the manner set out in article 14.2.

16. Preference Dividend

- 16.1 The Company shall, without need for a resolution of the directors or the Company in general meeting and before application of any Available Profits to reserves or for any other purpose, pay in respect of each Preference Share a fixed, cumulative preferential dividend (**Preference Dividend**) at an annual rate of 8% of the Preference Share Issue Price held to the person(s) registered as its holder, which dividend shall accrue daily and be calculated on the basis of a 365 day year.

- 16.2 The Preference Dividend shall be deemed to accrue from day to day after as well as before the commencement of any winding-up and shall therefore be payable by a liquidator in respect of any period after such commencement in priority to other claims or rights of the members in respect of share capital.

- 16.3 The Preference Dividend shall accrue from the Preference Share Issue Date but no payment of any Preference Dividend shall be made until the date on which the Company first has Available Profits sufficient to satisfy the Preference Dividend (the **Condition**).

- 16.4 Subject to article 16.3, the Preference Dividend shall be paid in cash annually in arrears on 30 September in each year (in each case) subject to fulfilment of the Condition.

- 16.5 The Company shall not declare or pay any dividends in relation to the Ordinary Shares unless and until all Arrears of the Preference Dividend have been paid in accordance with article 16.4.

- 16.6 Unless the Company has insufficient Available Profits, the Preference Dividend shall, notwithstanding that such dividend is expressed to be cumulative, be paid immediately on the due date.

- 16.7 If, as a result of not having sufficient Available Profits, the Company is not lawfully permitted to

pay the Preference Dividend in full on the due date, it shall pay the Preference Dividend to the extent it is lawfully able to do so. The unpaid amount shall be a debt due from the Company.

17. Issue of Shares

- 17.1 Subject to articles 17.2 and 17.3, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to offer or allot, or grant rights to subscribe for, any Shares as may from time to time be authorised by the Company by ordinary resolution.
- 17.2 Save in respect of the Initial Preference Shares (which the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to offer or allot), the directors shall not exercise any power of the Company to allot Preference Shares, or to grant rights to subscribe for, or convert into, Preference Shares without the prior written consent of the Founder. Without limitation, the powers of the directors under section 550 of the Act are limited accordingly.
- 17.3 Unless otherwise determined by special resolution of the Company passed in accordance with section 283 of the Act, any unissued Ordinary Shares from time to time shall, before they are issued, be offered to all the Ordinary Members in proportion to the amounts (excluding any premium paid on subscription) paid up on the Ordinary Shares held by them respectively (and such offer shall be at the same price and on the same terms to each such Ordinary Member). Such offer shall be made by notice specifying the number of Ordinary Shares offered, the proportionate entitlement of the relevant Ordinary Member, the price per Ordinary Share and limiting a period (being not less than 30 days) within which the offer, if not accepted, will be deemed to be declined and after the expiration of such period the directors shall offer the Ordinary Shares so declined to the persons who have, within the said period, accepted all the Ordinary Shares offered to them in the same manner as the original offer and limited by a period of not less than 14 days. If any Ordinary Shares comprised in such further offer are declined or deemed to be declined such further offer shall be withdrawn in respect of such Ordinary Shares. At the expiration of the time limited by the notice(s) the directors shall allot the Ordinary Shares so offered to or amongst the Ordinary Members who have notified their willingness to take all or any of such Ordinary Shares in accordance with the terms of the offer. No Ordinary Member shall be obliged to take more than the maximum number of Ordinary Shares he or she has indicated his or her willingness to take.
- 17.4 In respect of any Ordinary Share not accepted pursuant to article 17.3 above or not capable of being so offered except by way of fractions and any Ordinary Shares released from the provisions of this article by special resolution as therein specified, shall be at the disposal of the Company and the directors may allot, grant options over or otherwise dispose of such Ordinary Shares to such persons at such times and generally on such terms and conditions as they think proper, provided that no Ordinary Shares shall be issued at a discount and provided further that, in the case of Ordinary Shares not accepted as aforesaid, such Ordinary Shares shall not be disposed of on terms which are more favourable to the subscribers thereof than the terms on which they were offered to the Ordinary Members.
- 17.5 The requirements of sections 561 and 562 of the Act shall not apply to the Company.

18. Transfer of Shares

- 18.1 Shares may be transferred by transfer in writing in usual common form or in any other form approved by the Board. The instrument of transfer shall be signed by or on behalf of the transferor and, when the Share is not fully paid, shall also be signed by the transferee.
- 18.2 The Board may decline to recognise any instrument of transfer unless the instrument of transfer is duly stamped and is accompanied by the relevant share certificate and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer (and, if the instrument of transfer is executed by some other person on his or her behalf, the authority of that person so to do). All instruments of transfer which are registered may be retained by the Company.

- 18.3 Notwithstanding any other provision of these Articles, the directors shall not register a transfer of any interest in a Share if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person who (in the opinion of the Board) is of unsound mind or unless the transfer is made in accordance with these Articles. In either case if the transferee is not already a party to the Shareholders Agreement, he or she must have entered into a deed of adherence to, and in the form required by, the Shareholders Agreement.
- 18.4 Notwithstanding any other provision of these Articles, the directors shall, in their absolute discretion, be entitled to decline to register a transfer of any of the Preference Shares (or of any interest therein) without giving any reason therefor, and if they do so decline, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.
- 18.5 An obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from any lien, charge or other encumbrance.
- 18.6 A person entitled to a Share in consequence of the death or bankruptcy of a Member shall be bound at any time within a period of 12 months of such death or bankruptcy, if and when required in writing by the directors so to do, to give a Transfer Notice in respect of such Share. In respect of the transfer of all or any such Ordinary Shares, the provisions of articles 19.2 to 19.10 shall apply. In respect of the transfer of all or any such Preference Shares, such Preference Shares shall be transferred at the Preference Share Issue Price to such person(s) as the Board shall, with the consent of the Founder, agree. If any such person entitled shall fail to comply with the provisions of this article 18.6 following the expiry of 14 days following the written direction of the directors, then such person shall be deemed to have irrevocably appointed any director to be their agent and attorney to sign and issue the Transfer Notice and/or complete any transfer (as applicable) on their behalf.
19. **Pre-emption on Transfer**
- 19.1 Unless Ordinary Members holding 75% or more of the issued Ordinary Shares agree in writing to waive the requirements of this article and save for any transfer made pursuant to article 20 (*Drag along rights*) or article 21 (*Tag along option*), the right to transfer Ordinary Shares or any interest in Ordinary Shares shall be subject to the following restrictions and provisions. References in this article 19.1 to Ordinary Shares or Sale Shares shall include any interest in and grant of contractual rights or options over or in respect of such shares.
- 19.2 Any Ordinary Member (the **Proposing Transferor**) proposing to transfer any Ordinary Shares (the **Sale Shares**), shall be required before effecting, or purporting to effect the transfer, to give notice in writing to the Company (a **Transfer Notice**) that he or she desires to transfer the Sale Shares and specifying the price at which he or she is prepared to sell the Sale Shares in accordance with the following provisions of this article 19.1 (the **Proposed Price**). The Transfer Notice shall constitute the Company his or her agent for the sale of the Sale Shares (together with all rights then attached thereto) during the Prescribed Period to any Ordinary Member on the basis set out in the following provisions of this article 19.1 and shall not be revocable except with the consent of the directors or in accordance with article 19.4.
- 19.3 The Sale Shares will be offered for purchase in accordance with this article 19.1 at a price per Sale Share (the **Sale Price**) as agreed between the Proposing Transferor and the directors or, in default of such agreement within 21 days after the date of service of the Transfer Notice (the **Notice Date**), the Sale Price shall be the lower of (i) the Proposed Price and (ii) the price per Sale Share (the **Valuers' Price**) as determined by the Valuers in accordance with articles 19.4 and 19.5.
- 19.4 If the Sale Price shall not have been agreed between the Proposing Transferor and the directors within the time limit prescribed in article 19.3, then immediately following the expiry of such period the directors may or, upon the reasonable request of the Proposing Transferor, shall refer the matter to the Valuers and the Valuers shall determine and certify the sum per Sale Share considered by them to be the fair value thereof as at the Notice Date. In so determining

and certifying the Valuers shall take into account the factors set out in article 19.5. The Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on all persons concerned and (in the absence of fraud) they shall be under no liability to any such person by reason of their determination or certificate or by anything done or omitted to be done by them for the purpose thereof or in connection therewith. The cost and expense of the Valuers shall be borne by the Company save where the price determined by the Valuers is lower than the price offered by the directors during the discussions referred to at article 19.3, in which case the costs and expenses of the Valuers shall be borne by the Proposing Transferor. Except where the Transfer Notice has been issued pursuant to article 18.6, the Proposing Transferor may withdraw the Transfer Notice within 7 days of the Valuers' Price being notified to him or her.

- 19.5 If the Valuers are required to determine fair value pursuant to article 19.4, then fair value will be determined by the Valuers valuing the Company as a whole:
- 19.5.1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so;
 - 19.5.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion;
 - 19.5.3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;
 - 19.5.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Transfer Notice being served;
 - 19.5.5 taking into account the allocation of sale proceeds as set out in article 15;
 - 19.5.6 taking account of any arrears, accruals or deficiencies of dividend on shares; and
 - 19.5.7 taking account of any debt financing or loans which the Company may be subject to.
- 19.6 If the Transfer Notice is not withdrawn in accordance with these Articles, the Company may agree to purchase the Sale Shares at the Sale Price. The period during which the Company may agree to purchase the Sale Shares shall expire 21 days after the Sale Price is agreed or determined under article 19.3 (the **First Period**).
- 19.7 Any Sale Shares not agreed to be purchased by the Company pursuant to article 19.6 by the end of the last day of the First Period, shall be offered by a written offer notice (the **Offer Notice**) given within 14 days of the expiry of the First Period, to the Ordinary Members (excluding the Proposing Transferor). The Offer Notice shall invite the relevant Ordinary Members to state in writing the maximum number of Sale Shares which they wish to purchase. In the event of competition, the Sale Shares shall be sold to the acceptors in proportion to the number of Ordinary Shares held (as nearly as may be without involving fractions, or increasing the number sold to a relevant nominee beyond that applied for by him) (and the shareholding of the Proposing Transferor shall be disregarded for the purpose of calculating this proportion). The period during which the relevant Ordinary Members may accept the offer contained in the Offer Notice shall commence on the date of the Offer Notice and terminate 14 days thereafter (the **Second Period**).
- 19.8 After the expiry of the Second Period, the directors shall allocate the Sale Shares in accordance with the acceptances received on the basis set out in articles 19.6 to 19.11. The directors shall within 7 days of the expiry of the Second Period, give notice in writing (the **Sale Notice**) to the Proposing Transferor and to each accepting Ordinary Member specifying the name and address of each accepting Ordinary Member, the number of Sale Shares agreed to be purchased by him or her and the aggregate price payable for them.

- 19.9 Completion of a sale and purchase of Sale Shares pursuant to a Sale Notice shall take place at the registered office of the Company at the time specified in the Sale Notice (being not less than 3 days nor more than fourteen days after the date of the Sale Notice) when the Proposing Transferor, upon payment to him or her by the Company or an accepting Ordinary Member (as applicable) (a **Purchaser**) of the Sale Price in respect of the Sale Shares allocated to that Purchaser, shall transfer those Sale Shares and deliver the relevant share certificates to that Purchaser.
- 19.10 If a Proposing Transferor shall fail or refuse to transfer any Sale Shares to a Purchaser(s) hereunder the directors may authorise some person to execute and deliver on his or her behalf the necessary transfer and the Company may receive the purchase money in trust for the Proposing Transferor and cause the Purchaser(s) to be registered as the holder(s) of such Ordinary Shares (or for such Ordinary Shares to be cancelled, if acquired by the Company). The receipt of the Company for the purchase money shall constitute a good discharge to the Purchaser(s) (who shall not be bound to see to the application thereof) and after the Purchaser(s) has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person. The Company shall not pay the purchase money to the Proposing Transferor until he or she shall have delivered his or her share certificate(s) or a suitable indemnity and the necessary transfers to the Company.
- 19.11 Any Ordinary Shares not accepted by the Company or any of the Ordinary Members pursuant to the foregoing provisions of these Articles by the end of the last day of the Second Period may be offered by the Proposing Transferor to such persons as he or she may think fit, with the written consent of the Founder, for purchase at the Sale Price for a period of three months commencing on the day after the day on which the Second Period terminates.
20. **Drag along right**
- 20.1 If the holders of at least 85% of the voting rights attaching to the Ordinary Shares (in each case the **Selling Members** and such phrase shall be construed accordingly) shall receive an offer from a Third Party Purchaser which they intend to accept to acquire all the Shares held by the Selling Members then, the Selling Members shall have the option (the **Drag Along Option**) to require all the other Members (the **Remaining Members**) to transfer all their Shares (the **Remaining Shares**) to the Third Party Purchaser or as the Third Party Purchaser shall direct in accordance with this article 20 and, for the avoidance of doubt, the provisions of article 14.1 shall not apply to such proposed sale or transfer.
- 20.2 The Selling Members shall exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to the Remaining Members at any time before the transfer of the Selling Members' Shares to the Third Party Purchaser. A Drag Along Notice shall specify that the Remaining Members are required to transfer all their Remaining Shares pursuant to this article 20 to the Third Party Purchaser, the price at which the Remaining Shares are to be transferred (being not less than the price per Share payable by the Third Party Purchaser in respect of the Shares held by the Selling Members) and the proposed date of transfer. A Drag Along Notice shall be irrevocable unless the Third Party Purchaser refuses to acquire the Remaining Shares on the terms of this article 20.
- 20.3 The Remaining Members shall be obliged to sell the Remaining Shares at the price specified in the Drag Along Notice (subject to any applicable adjustment required so as to comply with article 15) and completion of this sale and purchase shall take place on receipt of the consideration payable for the relevant Shares and on the same date as the date proposed for completion of the sale of the Selling Members' Shares, unless:
- 20.3.1 all the Remaining Members and the Selling Members agree otherwise; or
- 20.3.2 the date is less than 14 days after the Drag Along Notice, in which case completion shall take place on the 14th day after the Drag Along Notice.
- 20.4 Each of the Remaining Members shall, on service of the Drag Along Notice, be deemed to have appointed each of the Selling Members severally as his or her attorney to execute any stock

transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares to the Third Party Purchaser pursuant to article 20.3.

- 20.5 The terms upon which the Remaining Members shall sell pursuant to this article 20 shall include a covenant to sell with full title guarantee and the Remaining Members shall give normal commercial warranties and indemnities regarding the Company, and they shall be responsible for an appropriate proportion of any associated costs and expenses of such sale, including but not limited to, warranty and indemnity insurance (if any).

- 20.6 All other regulations of the Company relating to the transfer of shares and the right to registration of transfers shall be read subject to the provisions of this article 20.

21. Tag along option

- 21.1 No sale or transfer or other disposition of more than 50% of the voting rights attached to the Equity Shares (the **Specified Shares**) to a Third Party Purchaser shall have any effect unless, before the transfer is lodged for registration, the Third Party Purchaser acquiring the Specified Shares has made a bona fide offer (a **Tag Along Offer**) in writing to acquire all the shares in the capital of the Company (such Shares, which are not Specified Shares, being **Tag Along Shares**). This article is subject to the rights of the Selling Members in respect of the Drag Along Option as set out in article 20.

- 21.2 A Tag Along Offer shall be in writing, shall specify the price at which the Tag Along Shares may be transferred (being the price payable by the Third Party Purchaser in respect of each of the Specified Shares, but subject to any adjustment so as to comply with the provisions of article 15), shall be open for acceptance for at least 21 days and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance. The consideration payable pursuant to a Tag Along Offer shall be settled in full on completion of the sale and purchase of the Tag Along Shares and within 30 days of the date of the offer.

- 21.3 Following the acceptance of a Tag Along Offer by a holder of any Tag Along Shares, that Member shall be obliged to sell the Tag Along Shares held by it to the Third Party Purchaser at the price specified in the Tag Along Offer and completion of this sale and purchase shall take place on the same date as the date of completion of the sale of the Specified Shares, and, for the avoidance of doubt, the provisions of article 14.1 shall not apply to such proposed sale or transfer.

- 21.4 The terms upon which the holders of the Tag Along Shares shall sell pursuant to this article 21 shall include a covenant to sell with full title guarantee and the Members shall give normal commercial warranties and indemnities regarding the Company, and they shall be responsible for an appropriate proportion of any associated costs and expenses of such sale, including but not limited to, warranty and indemnity insurance (if any).

- 21.5 Each holder of Tag Along Shares who accepts a Tag Along Offer shall be deemed to have appointed each holder of Specified Shares severally as his or her attorney to execute any stock transfer form and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Tag Along Shares held by such Member to the Third Party Purchaser pursuant to this article 21.

22. Purchase of Own Shares

- 22.1 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:

22.1.1 £15,000; and

- 22.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

DECISION MAKING BY SHAREHOLDERS

23. Poll Votes

- 23.1 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.
- 23.2 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.

24. Proxies

- 24.1 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".
- 24.2 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

25. Means of Communication to be Used

- 25.1 Subject to article 25.3, any notice, document or other information shall be deemed received by the intended recipient:
- 25.1.1 if delivered by hand at the time the notice, document or other information is left at the address;
 - 25.1.2 if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting;
 - 25.1.3 if sent by pre-paid airmail providing proof of postage, at 9.00 am on the fifth Business Day after posting;
 - 25.1.4 if sent by email, at the time of transmission; or
 - 25.1.5 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.
- 25.2 If deemed receipt under article 25.1 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this article 18.2, business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt and all references to time are to local time in the place of receipt.
- 25.3 To prove service, it is sufficient to prove that:
- 25.3.1 if delivered by hand, the notice was delivered to the correct address; or

25.3.2 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or

25.3.3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

26. Indemnity

26.1 Subject to article 26.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

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

26.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in article 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

26.2 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.

26.3 In this article:

26.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and

26.3.2 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)).

27. Insurance

27.1 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.

27.2 In this article:

27.2.1 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 or she is also a director or other officer), to the extent he or she acts in his or her capacity as auditor);

27.2.2 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

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