

Company Number: 07213215

**THE COMPANIES ACT 2006**

**A PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION  
OF  
VICTOR'S DRINKS LIMITED  
(the "Company")**

5/9/2018 ("Date of Circulation")

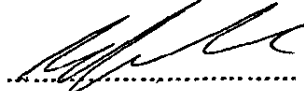
Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company propose that the following resolution is passed as a special resolution.

**SPECIAL RESOLUTION**

THAT the draft regulations attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.

Please read the notes at the end of this document before signifying your agreement to these Resolutions.

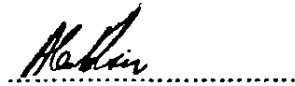
The undersigned, being persons who are entitled to vote on the above resolution on the date of circulation of it, irrevocably vote in favour of it:



RALPH BROADBENT

5.9.2018

DATE

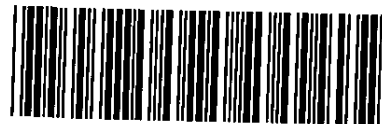


ALEX DIXON

5.9.2018

DATE

SATURDAY



A22 \*A7E2ETDN\* 08/09/2018 #336  
COMPANIES HOUSE

1. The resolution is proposed as a special resolution. This means that members holding 75 percent or more of the total voting rights of members entitled to vote on the resolution must vote in favour of it to be passed.
2. Unless the resolution is passed by a date which is 28 days from the Date of Circulation, it will lapse. If you agree to the resolution please ensure your agreement reaches us before end of this period.
3. If you agree with the resolutions, please indicate your agreement to it by signing and dating this document and returning it to the Company by hand or by post at the registered office, for the attention of Ralph Broadbent.

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION  
OF  
VICTOR'S DRINKS LIMITED

(Adopted by Special Resolution on 5 September 2018)

PRELIMINARY

1. PRELIMINARY

- 1.1. The Model Articles apply to the Company save insofar as they are excluded or varied in these Articles, and the Model Articles save as so excluded or varied together with these Articles will be the Articles of Association of the Company.
- 1.2. The following Model Articles do not apply to the Company, namely Model Articles 7, 8 11(2), 14, 21, 22(2), 26(5), 41, 42, 44(2) and (3), 52 and 53.
- 1.3. Model Article 20 is amended by the insertion of the words "(including alternate Directors and the secretary (if any))" before the words "properly incur".
- 1.4. Model Articles 31(a) to (d) (inclusive) is amended by the deletion, in each case, of the words "either" and "or as the Directors may otherwise decide".

2. INTERPRETATION

- 2.1. The provisions as to the interpretation of the Model Articles contained in Model Article 1 apply to the interpretation of these Articles as they apply to the *interpretation of the Model Articles*, save that it will be varied by the inclusion of the following definitions:

Act	means the Companies Act 2006 including any statutory modifications, consolidation, replacement, <i>amendments or re-enactments of the same</i> for the time being in force and including all statutory instruments, orders, regulations and other subordinate legislation for the time being in force
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	made under the same;
A Shares	the ordinary A shares of £0.001 each in the capital of the Company for the time being in issue as a class;
A Share %	the number of A Shares in issue as a percentage of the entire issued share capital of the Company (regardless of class) at the relevant time provided that such percentage attributable to the A shares in aggregate shall be capped at 8%;
Associated Company	in relation to a corporate Shareholder has the same meaning as associated body corporate at section 256 of the Act;
Agreement	the shareholders' agreement entered into between the Shareholders of the Company and the Company from time to time;
B Shares	the ordinary B shares of £0.001 each in the capital of the Company for the time being in issue as a class;
B Share %	the number of B Shares in issue as a percentage of the entire issued share capital of the Company (regardless of class) at the relevant time provided that such percentage attributable to the B shares in aggregate shall be capped at 5%;
Bad Leaver	a Transferor by whom a Transfer Notice is given or deemed to be given in circumstances where he/she is not a Good Leaver;
Business Day	any day from Monday to Friday which is not a bank or public holiday of the United Kingdom;
C Shares	the ordinary C shares of £0.001 each in the capital of the Company for the time being in issue as a class;
C Share %	the number of C Shares in issue as a percentage of the entire issued share capital of the Company (regardless of class) at the relevant time provided that such percentage attributable to the C shares in aggregate shall be capped at 7.5%;
Chairman	Ralph Broadbent;

Change of Control	in relation to a body corporate the acquisition of control (within the meaning given by section 1124 Corporation Tax Act 2010) of that body corporate by any person or persons or another body corporate other than shareholders of the body corporate at the date of adoption of these Articles;
D Shares	the ordinary D shares of £0.001 each in the capital of the Company for the time being in issue as a class;
D Share %	the number of D Shares in issue as a percentage of the entire issued share capital of the Company (regardless of class) at the relevant time provided that such percentage attributable to the D shares in aggregate shall be capped at 10%;
Directors	all the Directors of the Company for the time being (and the expression "Director" must be construed accordingly);
Eligible Director	a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any <i>Director whose vote is not to be counted in respect of the particular matter</i> );
Event of Default	<p>an event whereby a Shareholder or (where a Shareholder holds Shares by virtue of a transfer or successive transfers made in accordance with <b>Article 15</b>), the person who is the original shareholder from whom such Shares were acquired:</p> <ol style="list-style-type: none"> <li>1. ceases to be a Director or employee of the Company (whether by way of resignation or <i>termination by the Company of any contract of employment, service agreement or other arrangement with the Company for the provision of his services or otherwise</i>); or</li> <li>2. becomes permanently incapacitated, preventing him from performing his role as a Director and/or employee of the Company; or</li> <li>3. is disqualified from holding office in the Company or in any other company by reason</li> </ol>

of any order made under the Company Directors Disqualification Act 1986 or any other enactment; or

4. commits any material breach of the Agreement or these Articles, including any attempt to transfer his Shares in breach of these Articles; or
5. is convicted of any criminal offence (other than minor offences under the Road Traffic Acts or the Road Safety Acts for which a fine or non-custodial penalty is imposed); or
6. is a body corporate and is the subject of a Change of Control;

Expert

a single independent chartered accountant or an independent firm of chartered accountants, in the case of an appointment pursuant to **Article 18** to be agreed upon between the Transferor and the Directors or (in default of agreement within 14 days) to be selected at the request of any of them by the President for the time being of the Institute of Chartered Accountants in England and Wales, and in the case of any other appointment selected by the Directors;

Founder Shareholders

Ralph Broadbent and Alex Dixon;

Good Leaver

a Transferor by whom a Transfer Notice is given or deemed to be given pursuant to **Article 15.1** as a result of the Transferor's:

- (i) death;
- (ii) retirement through ill health;
- (iii) dismissal by the Company in breach by the Company of his employment contract; or
- (iv) dismissal by the Company in circumstances that are determined by a decision of an employment tribunal or court, which decision is final and no longer appealable, to be or amount to wrongful or constructive dismissal, where the Transferor has commenced

	proceedings in respect of such claim within 3 months of the date of cessation of the Transferor's employment,
	or in circumstances where the Founder Shareholders unanimously agree that the Transferor is to be treated as a Good Leaver;
Group	in relation to the Company, any company which for the time being is its holding company or its subsidiary or a subsidiary of its holding company and Group Companies must be construed accordingly;
Insolvency Event	in relation to a corporate Shareholder, any of the following events: <ul style="list-style-type: none"> <li>(v) a resolution is passed for the winding up, dissolution or administration of the corporate Shareholder (except for the purpose of a solvent amalgamation or reconstruction);</li> <li>(vi) a receiver, administrator or administrative receiver is appointed over the whole or any substantial part of the undertaking and assets of the corporate Shareholder; or</li> <li>(vii) any order is made by any competent court for the appointment of a liquidator or administrator in relation to the corporate Shareholder;</li> </ul>
Listing	the admission of any Shares to the Official List of the UK Listing Authority and such admission becoming effective or the grant of permission for any Shares to be dealt in on a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or any other public securities market and such permission becoming effective;
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 and a reference in these Articles to a "Model Article" is a reference to the article of that number in the Model Articles;										
Ordinary Shares	the ordinary shares of £0.001 each in the capital of the Company for the time being in issue as a class;										
Relevant Majority	a person or persons from time to time holding 50% or more of the Ordinary Shares of the Company;										
Relevant Proportions	the following percentages in relation to the following classes of Shares: <table> <tr> <td>Ordinary Shares</td><td>100% less aggregate of the A Share %, B Share %, C Share % and D Share %</td></tr> <tr> <td>A Shares</td><td>A Share %</td></tr> <tr> <td>B Shares</td><td>B Share %</td></tr> <tr> <td>C Shares</td><td>C Share %</td></tr> <tr> <td>D Shares</td><td>D Share %</td></tr> </table>	Ordinary Shares	100% less aggregate of the A Share %, B Share %, C Share % and D Share %	A Shares	A Share %	B Shares	B Share %	C Shares	C Share %	D Shares	D Share %
Ordinary Shares	100% less aggregate of the A Share %, B Share %, C Share % and D Share %										
A Shares	A Share %										
B Shares	B Share %										
C Shares	C Share %										
D Shares	D Share %										
Sale	the completion of any sale of any interest in any Shares (whether in one transaction or a series of related transactions) resulting in the transferee (either alone or together with its connected persons) holding a controlling interest in the Company;										
secretary	means the secretary of the Company, if any, appointed in accordance with <b>Article 35</b> or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;										
Shareholder(s)	the registered holder(s) of Shares;										
Shares	the A Shares, B Shares, C Shares, D Shares and Ordinary Shares in the capital of the Company from time to time and "Share" shall be construed accordingly;										
subsidiary and holding company	have the meaning given to them in section 1159 of the Act, and include without limitation a subsidiary undertaking as defined in section 1162 of the Act;										
Third Party Purchaser	a bona fide arms length purchaser who is not a Shareholder or a connected person of a Shareholder (within the meaning of section 1122 of										



the Corporation Tax Act 2010) and whose offer to purchase the Shares of the Selling Shareholders (as defined in **Article 16.1.1**) or the Committed Shares (as defined in **Article 17.1**) represents the best offer received by the holders of such Shares as a result of the holders of those Shares having undertaken an appropriate marketing process (having regard to the prevailing circumstances at the time) with a view to obtaining the best price reasonably obtainable for the Company;

Transfer Notice

a notice relating to the transfer of Shares served or deemed to be served under **Articles 14 or 15**.

### **3. PRIVATE COMPANY**

The Company is a private company and accordingly the Company must not offer, allot or agree to allot any shares in or debentures of the Company to the public with a view to all or any of such shares or debentures being offered for sale to the public, and sections 755 and 756 of the Act apply for the purposes of this Article as they apply for the purposes of that Act.

### **4. SHARE CAPITAL**

The special rights and provisions applicable to the classes of the shares in the capital of the Company are set out in **Articles 5 to 9** (inclusive) below.

### **5. ORDINARY SHARES**

5.1. The rights attached to the Ordinary Shares shall be as follows:

#### **5.1.1. Income**

Subject to the provisions of the Act and subject to the next following paragraphs, the profits of the Company resolved to be distributed amongst the holders of the Ordinary Shares as determined from time to time by the Relevant Majority;

#### **5.1.2. Capital**

On a return of assets, liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst the holders of the Ordinary Shares after payment of

its liabilities shall be applied to the holders of the Shares in the Relevant Proportions. On a Sale or Listing, the proceeds of the Sale or Listing shall be applied to the holders of the Ordinary Shares in the Relevant Proportions.

**5.1.3. Voting**

On a show of hands every holder of the Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by representative not being himself a Shareholder shall have one vote, and on a poll each holder of the Ordinary Shares shall have one vote per Ordinary Share registered in his name.

**6. A ORDINARY SHARES**

6.1. The rights attached to the A Ordinary Shares shall be as follows:

**6.1.1. Income**

Subject to the provisions of the Act and subject to the next following paragraphs, the profits of the Company resolved to be distributed amongst the holders of the A Ordinary Shares as determined from time to time by the Relevant Majority;

**6.1.2. Capital**

On a return of assets, liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst the holders of the A Ordinary Shares after payment of its liabilities shall be applied to the holders of the Shares in the Relevant Proportions. On a Sale or Listing, the proceeds of the Sale or Listing shall be applied to the holders of the A Ordinary Shares in the Relevant Proportions.

**6.1.3. Voting**

On a show of hands every holder of the A Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by representative not being himself a Shareholder shall have one vote, and on a poll each holder of the A Ordinary Shares shall have one vote per A Ordinary Share registered in his name.

## **7. B ORDINARY SHARES**

7.1. The rights attached to the B Ordinary Shares shall be as follows:

### **7.1.1. Income**

Subject to the provisions of the Act and subject to the next following paragraphs, the profits of the Company resolved to be distributed amongst the holders of the B Ordinary Shares as determined from time to time by the Relevant Majority;

### **7.1.2. Capital**

On a return of assets, liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst the holders of the B Ordinary Shares after payment of its liabilities shall be applied to the holders of the Shares in the Relevant Proportions. On a Sale or Listing, the proceeds of the Sale or Listing shall be applied to the holders of the B Ordinary Shares in the Relevant Proportions.

### **7.1.3. Voting**

On a show of hands every holder of the B Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by representative not being himself a Shareholder shall have one vote, and on a poll each holder of the B Ordinary Shares shall have one vote per B Ordinary Share registered in his name.

## **8. C ORDINARY SHARES**

8.1. The rights attached to the C Ordinary Shares shall be as follows:

### **8.1.1. Income**

Subject to the provisions of the Act and subject to the next following paragraphs, the profits of the Company resolved to be distributed amongst the holders of the C Ordinary Shares as determined from time to time by the Relevant Majority;

### **8.1.2. Capital**

On a return of assets, liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst the holders of the C Ordinary Shares after payment of its liabilities shall be applied to the holders of the Shares in the

Relevant Proportions. On a Sale or Listing, the proceeds of the Sale or Listing shall be applied to the holders of the C Ordinary Shares in the Relevant Proportions.

**8.1.3. Voting**

The holders of the C Ordinary Shares shall not be entitled to receive notice of, attend and speak at any general meeting and shall be entitled to vote at any such meeting or on a written resolution.

**8.1.4. The C Ordinary Shares shall not be redeemable.**

**9. D ORDINARY SHARES**

9.1. The rights attached to the D Ordinary Shares shall be as follows:

**9.1.1. Income**

Subject to the provisions of the Act and subject to the next following paragraphs, the profits of the Company resolved to be distributed amongst the holders of the D Ordinary Shares as determined from time to time by the Relevant Majority;

**9.1.2. Capital**

On a return of assets, liquidation or capital reduction or otherwise (except upon the redemption of shares of any class or the purchase by the Company of its own shares) the assets of the Company available for distribution amongst the holders of the D Ordinary Shares after payment of its liabilities shall be applied to the holders of the Shares in the Relevant Proportions. On a Sale or Listing, the proceeds of the Sale or Listing shall be applied to the holders of the D Ordinary Shares in the Relevant Proportions.

**9.1.3. Voting**

The holders of the D Ordinary Shares shall not be entitled to receive notice of, attend and speak at any general meeting and shall be entitled to vote at any such meeting or on a written resolution.

**9.1.4. The D Ordinary Shares shall not be redeemable.**

**10. ISSUE OF SHARES**

10.1. Shares may be issued as fully, partly or nil paid.

- 10.2. Subject to the remaining provisions of this **Article 10**, the Directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:
- 10.2.1. offer or allot;
  - 10.2.2. grant rights to subscribe for or to convert any security into; or
  - 10.2.3. otherwise deal in, or dispose of,
- any shares in the Company to any person, at any time and subject to any terms and conditions as the Directors think proper.
- 10.3. The authority referred to in **Article 10.2**:
- 10.3.1. is limited to a maximum nominal amount of £500 or such other amount as may from time to time be authorised by the Company by ordinary resolution;
  - 10.3.2. applies insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and
  - 10.3.3. may only be exercised for a period of five years from the date of adoption of these Articles, save that the Directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the Directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).
- 10.4. In accordance with section 567(2)(a) of the Act, the requirements of sections 561 and 562 of the Act are generally excluded.

## **11. REDEMPTION OF SHARES**

Subject to the provisions of the Act shares may be issued which are to be redeemed or are liable to be redeemed at the option of the Company or the holder of them, provided that the terms on which and the manner in which any such redeemable shares shall or may be redeemed must be specified by special resolution before issue of them.

## **12. LIENS AND FORFEITURE**

- 12.1. Model Articles 52 and 53 of The Model Articles for Public Companies Limited by Shares contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 and any relevant definitions contained within Model Article 1 of those articles to which Model Articles 52 and 53 refer, apply to the Company.
- 12.2. Model Articles 54 – 62 of The Model Articles for Public Companies Limited by Shares contained in Schedule 3 of the Companies (Model Articles) Regulations

2008 and any relevant definitions contained within Model Article 1 of those articles to which Model Articles 54 – 62 refer, apply to the Company

### **13. TRANSFER OF SHARES**

- 13.1. The Directors must refuse to register any transfer of Shares made in contravention of the provisions of these Articles and the terms of the Agreement and 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 but will not otherwise be entitled to refuse to register any transfer of Shares.
- 13.2. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles and the terms of the 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 Business Days after such request the Directors will be entitled to refuse to register the transfer in question.
- 13.3. A reference in these Articles to a transfer of shares includes a transfer of any interest in shares (including a beneficial interest) and these Articles take effect accordingly.

### **14. PRE-EMPTION RIGHTS**

#### **14.1. Transfer Notice**

- 14.1.1. Save as otherwise provided for in **Article 16 (Drag Along)** or **Article 17 (Tag Along)**, any Shareholder wishing or obliged pursuant to **Article 15** to transfer any Shares (the “**Transferor**”) must serve a Transfer Notice to that effect on the Directors.
- 14.1.2. Subject to **14.1.3**, a Transfer Notice shall or shall be deemed to:
  - 14.1.2.1. specify the number of Shares that the Transferor wishes or is obliged to transfer (the “**Transfer Shares**”) which may be all or part only of the Shares then held by the Transferor;
  - 14.1.2.2. specify if the Transfer Notice is conditional upon all (and not only part) of the Transfer Shares being sold pursuant to this **Article 14** (a “**Total Transfer Condition**”);

- 14.1.2.3. if the Transferor has received an offer from a third party for the Transfer Shares, specify the identity of such third party and the price per Share offered for the Transfer Shares (the **"Proposed Price"**);
- 14.1.2.4. constitute the Company as the agent of the Transferor in relation to the sale of the Transfer Shares in accordance with this **Article 14**;
- 14.1.2.5. not be capable of variation or cancellation without the consent of all the Shareholders other than the Transferor.
- 14.1.3. Where a Transfer Notice is one which is served or deemed to have been served by virtue of any provision of **Article 15**:
  - 14.1.3.1. the Transfer Notice must relate to all the Shares registered in the name of the Transferor;
  - 14.1.3.2. the Transfer Notice may not contain a Total Transfer Condition;
  - 14.1.3.3. the Transfer Price must be determined in accordance with **Article 14.2.1.3 or 14.2.2** as the case may be;
  - 14.1.3.4. the Transfer Notice will be irrevocable.

## **14.2. Transfer Price**

- 14.2.1. The price at which each Transfer Share will be offered for sale in accordance with this **Article 14** will be (the **"Transfer Price"**):
  - 14.2.1.1. subject to the consent of the Directors, the Proposed Price; or
  - 14.2.1.2. such other price as may be agreed between the Transferor and the Directors within 21 days of the date of receipt of the Transfer Notice by the Directors (the **"Notice Date"**); and
  - 14.2.1.3. where no price is agreed pursuant to **Article 14.2.1.1 or 14.2.1.2** above within 21 days of the Notice Date, or where a Transfer Notice is served or deemed to be served in accordance with **Article 15.1**, the price determined in accordance with the provisions of **Article 14.2.3** (the **"Market Value"**); or
  - 14.2.1.4. if the Transferor is a Good Leaver, the price as determined and certified by the Expert in accordance with the provisions of **Article 14.2.2** (the **"Market Value"**); or
  - 14.2.1.5. if the Transferor is a Bad Leaver, the price will be the lower of (i) the original subscription price paid for those Shares and

(ii) the price calculated in accordance with **Article** Error!  
Reference source not found..

14.2.2. Where this **Article 14.2.2** applies, the Directors must immediately instruct the Expert to determine and certify the Market Value in accordance with **Article 18** calculated on the basis that :

14.2.2.1. the Market Value is the sum which a willing buyer would agree with a willing seller to be the purchase price for all the Shares then in issue, divided by the number of Shares then in issue;

14.2.2.2. no account will be taken of the size of the holding which the Transfer Shares comprise or whether the Sale Shares represent a majority or minority interest;

14.2.2.3. any difficult in applying any of the bases set out above must be resolved by the Expert as he, in his absolute discretion, thinks fit;

14.2.2.4. the Company and the Transferor will pay the Expert's costs in such proportions as the Expert directs.

14.2.3. On receipt of the Expert's certificate, the Directors must immediately send a copy of the certificate to the Transferor. Save in the case of a Transfer Notice which is given or deemed to be given pursuant to **Article 15**, the Transferor will be entitled, by notice in writing served on the Company within seven days of the service upon him of the copy certificate, to cancel the Transfer Notice

### **14.3. Offer**

14.3.1. Unless the Transferor has properly cancelled the Transfer Notice in accordance with **Article 14.2.4**, within 14 days after the date upon which the Transfer Price is agreed or certified in accordance with these Articles (the "**Determination Date**") the Directors must serve a notice (an "**Offer Notice**") on all Shareholders other than the Transferor and any Shareholder who at the date of the Offer Notice is bound to serve, or has served or is deemed to have served a Transfer Notice in respect of any Shares registered in his name (together the "**Relevant Offerees**").

14.3.2. The Offer Notice must:

14.3.2.1. state the Transfer Price;

14.3.2.2. contain the other information set out in the Transfer Notice;

14.3.2.3. state that the Offer Notice will expire and that the offer made in it will be deemed to be withdrawn if not previously



- accepted by the Relevant Offeree, on a date which is not less than 20 nor more than 40 Business Days after the date of the Offer Notice;
- 14.3.2.4. state that the Offer Notice is subject to a Total Transfer Condition; and
- 14.3.2.5. invite the Relevant Offerees to respond in writing to the Company stating the number of Transfer Shares they are willing to purchase at the Transfer Price.
- 14.3.3. After the expiry of the period specified in the Offer Notice or, if sooner, upon all Relevant Offerees having responded to that Offer Notice (in either case the "**Allocation Date**"), the Directors must allocate the Transfer Shares in accordance with the applications received provided that if there are applications for more than the number of Transfer Shares available, the Transfer Shares must be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Transfer Shares than he applied for) to the number of Shares held by each of them respectively.
- 14.3.4. If on the Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.3** on the terms set out above then the Founder Shareholders will have the option to purchase such Shares at the Transfer Price (the "**Ordinary Option**"). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the "**Ordinary Allocation Date**").
- 14.3.5. If on the Ordinary Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.4** on the terms set out above then the holders of the A Ordinary Shares will have the option to purchase such Shares at the Transfer Price (the "**A Ordinary Option**"). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the "**A Ordinary Allocation Date**").
- 14.3.6. If on the A Ordinary Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.5** on the terms set out above then the holders of the B Ordinary Shares will have the option to purchase such Shares at the Transfer Price (the "**B**

- Ordinary Option**”). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the “**B Ordinary Allocation Date**”).
- 14.3.7. If on the B Ordinary Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.6** on the terms set out above then the holders of the C Ordinary Shares will have the option to purchase such Shares at the Transfer Price (the “**C Ordinary Option**”). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the “**C Ordinary Allocation Date**”).
- 14.3.8. If on the C Ordinary Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.7** on the terms set out above then the holders of the D Ordinary Shares will have the option to purchase such Shares at the Transfer Price (the “**D Ordinary Option**”). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the “**D Ordinary Allocation Date**”).
- 14.3.9. If on the D Ordinary Allocation Date there remain any Transfer Shares not allocated for purchase in accordance with **Article 14.3.8** on the terms set out above then the Company (acting by the Directors) will have the option (subject to compliance with Part 18 of the Act) to purchase such Shares at the Transfer Price (the “**Company Option**”). Such option will be exercisable by notice in writing served by the Directors on the Transferor at any time during the period of 10 Business Days after the Allocation Date (the end of such period being called the “**Company Allocation Date**”).
- 14.3.10. Where under this **Article 14** any Shares are to be purchased by the Company, the Shareholders agree to exercise their voting rights and other powers of control available to them in relation to the Company so as to procure (insofar as they are able by the exercise of such rights and powers) that all necessary action will be taken to facilitate the purchase by the Company of the relevant Shares in compliance with all applicable laws and regulations (including Part 18 of the Act).

- 14.3.11. If on the Company Allocation Date there remain any Transfer Shares not allocated for purchase, such Transfer Shares must be offered for a period of 10 Business Days to such Directors and senior employees as may be determined by the Directors ("**Management**") at the Transfer Price (in such proportions as the Directors agree between them) (the "**Management Offer**"). Within 10 Business Days of the date of such offer (the "**Management Allocation Date**") the Directors must allocate such Transfer Shares in accordance with applications received from any Management during that period.
- 14.3.12. If on the Management Allocation Date there remain any Transfer Shares not allocated for purchase, then each Director may put forward a bona fide third party who is not a Shareholder or a connected person of a Shareholder (within the meaning of section 1122 of the Corporation Tax Act 2010) ("**External Purchaser**") who shall be entitled to acquire the remaining Transfer Shares (or a proportion of them if there is more than one External Purchaser put forward in equal proportions), provided always that the relevant External Purchaser has been approved by 85% of the other Shareholders (such approval must be given within 15 Business Days). If the External Purchaser has not been approved by at least 85% of the Shareholders within 15 Business Days of the date on which the Directors puts forward that External Purchaser then the External Purchaser shall not be entitled to receive any of the Transfer Shares. Within 10 Business Days of the date of the approval, the Directors must allocate such Transfer Shares in accordance with the approved applications received from the External Purchaser who has been approved by 85% of the Shareholders (such approval not to be unreasonably withheld or delayed) during that period.

#### **14.4. Fractional entitlements**

The allocation of any fractional entitlement to Transfer Shares which arises by reason of the application of **Article 14.3** may be dealt with by the Directors in such manner as they see fit.

#### **14.5. Notification of Allocation**

- 14.5.1. The Directors must serve notice in writing (an "**Allocation Notice**") on the Transferor, and each Shareholder or Management and (if applicable) the Company to whom Transfer Shares have been allocated pursuant to **Article 14.3** (each a "**Buyer**") within 5 Business Days of the Allocation Date. Each Allocation Notice must state :

- 14.5.1.1. that the Total Transfer Condition was satisfied;
- 14.5.1.2. the number of Transfer Shares allocated to that Buyer;
- 14.5.1.3. the name and address of the Buyer;
- 14.5.1.4. the aggregate purchase price payable by the Buyer in respect of the Transfer Shares allocated to him;
- 14.5.1.5. the place, date and time (being not less than 3 or more than 10 Business Days after the date of service of the Allocation Notice or the Company or Management Allocation Date as the case may be) at which completion of the sale and purchase of the relevant Transfer Shares must take place.

14.5.2. If the Transfer Notice in question contained a Total Transfer Condition then no offer of the Transfer Shares made by the Directors pursuant to this **Article 14** will be capable of acceptance until all of the Transfer Shares have been allocated pursuant **Article 14.3**. If by the foregoing procedures any of the Transfer Shares have not been allocated within the periods specified, then none of the Transfer Shares will be sold to the Buyers. In these circumstances:

- 14.5.2.1. the Directors must serve notice ("**Cancellation Notice**") in writing on the Transferor and each Shareholder to whom Transfer Shares have been allocated pursuant to **Article 14.3**, stating that the Total Transfer Condition was not satisfied and that all applications for Transfer Shares are null and void; and
- 14.5.2.2. the proposing Transferor may then within a period of 90 days from the date of the Allocation Notice sell all (but not some only) of the Transfer Shares to any person or persons at a price not lower than the Transfer Price and on terms not less favourable than those offered in the Transfer Notice.

#### **14.6. Completion**

Subject to the foregoing provisions of this **Article 14**, completion of the sale and purchase of Transfer Shares pursuant to an Allocation Notice will take place at the place, date and time specified in the Allocation Notice when the Transferor must, upon receipt of the Transfer Price for the relevant Shares, transfer to each Buyer such number of the Shares as have been allocated to that Buyer.

#### **14.7. Default by the Transferor**

- 14.7.1. As security for the performance of its obligations, any Shareholder who gives (or is deemed to give) a Transfer Notice pursuant to these Articles

will be deemed to have irrevocably appointed each of the Directors (severally) as his lawful agent to take any action which in their absolute discretion they deem necessary or desirable in order to complete the arrangements contemplated by these Articles including but not limited to the action contemplated by **Article 14.7.2**.

- 14.7.2. If a Transferor defaults in transferring any Transfer Shares to a Buyer when required by this **Article 14**, any Director may as agent of the Transferor execute each necessary transfer of Transfer Shares on the Transferor's behalf and deliver that transfer to the relevant Buyer. The Company may receive the purchase money from a Buyer on behalf of the Transferor and thereafter must, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Transfer Shares so transferred to him or, where the Company has purchased any Transfer Shares, cancel such Transfer Shares. The receipt of the Company for the purchase money will constitute a good discharge to the Buyer (who will not be bound to see to the application of it). The Company must hold the relevant purchase money on trust for the Transferor (but without interest) and the Company must not pay such money to the Transferor until he has delivered the share certificate(s) in respect of the relevant Shares (or a suitable indemnity in a form reasonably satisfactory to the Directors) to the Company.
- 14.7.3. After the Buyer has been registered in purported exercise of the power conferred by this **Article 14.7** the validity of the proceedings may not be questioned by any person.
- 14.7.4. The appointment contained in **Article 14.7.1** will remain in force and be irrevocable until such time as the Transferor ceases to be a Shareholder or Director but will be of no further effect after that date.

## **15. COMPULSORY TRANSFER**

### **15.1. Death or bankruptcy**

- 15.1.1. If any person (other than an existing Shareholder) becomes entitled to any Shares by reason of the death or bankruptcy of any Shareholder or in the case of a Shareholder that is a corporate body, an Insolvency Event, he must immediately serve on the Company notice in writing to

that effect and if that person fails to serve such notice the Directors may serve the notice on his behalf.

15.1.2. A notice served pursuant to this **Article 15.1** will be deemed to be a Transfer Notice in respect of all the Shares to which such person has become entitled and the provisions of **Article 14** in relation to a Transfer Notice and the procedure to be adopted following the service of such a notice will apply.

15.1.3. If any Shares to which such person has become entitled on the death or bankruptcy of any Shareholder or on an Insolvency Event are not sold pursuant to **Article 14** then after the expiration of the period during which such Shares might have been purchased pursuant to it such person will (upon such evidence being produced as may from time to time be required by the Directors) have the right to be registered himself as the holder of the Shares in question.

## **16. DRAG ALONG**

### **16.1. Drag Along Option**

16.1.1. Subject to **Article 16.2**, if the Founder Shareholders or the holders of 51% or more of the Shares (together the "**Selling Shareholders**") wish to transfer all their Shares to a Third Party Purchaser, they will have the option (a "**Drag Along Option**") to require all of the other Shareholders (the "**Continuing Shareholders**") to transfer all their Shares with full title guarantee to the Third Party Purchaser (or as the Third Party Purchaser may direct) in accordance with this **Article 16**.

16.1.2. The Selling Shareholders may exercise the Drag Along Option by serving notice to that effect (a "**Drag Along Notice**") on each of the Continuing Shareholders at any time before the registration of the transfer of the Selling Shareholders' Shares. A Drag Along Notice must specify:

16.1.2.1. that the Continuing Shareholders are required to transfer all their Shares (the "**Continuing Shares**") pursuant to this **Article 16**;

16.1.2.2. the identity of the Third Party Purchaser;

16.1.2.3. the consideration for which, or the price at which, the Continuing Shares are to be transferred, determined in

accordance with **Article 16.1.4** (the "**Drag Along Consideration**"); and

16.1.2.4. the proposed date of transfer (if known).

16.1.3. A Drag Along Notice may be revoked by the Selling Shareholders at any time prior to the completion of the sale and purchase of the Continuing Shares.

16.1.4. The Drag Along Consideration must be the same consideration per Continuing Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Share held by the Selling Shareholders together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the Selling Shareholders which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Shares held by them.

16.1.5. If the Drag Along Consideration cannot be agreed between the Third Party Purchaser and the Continuing Shareholders within 10 Business Days of the date of service of the Drag Along Notice, the Directors must immediately refer such matter for determination to the Expert and the provisions of **Article 18** will apply.

16.1.6. Completion of the sale and purchase of the Continuing Shares will take place on the same date as completion of the sale and purchase of the Selling Shareholders' Shares (unless the Selling Shareholders and all of the Continuing Shareholders agree otherwise).

## **16.2. Scope and effect of Drag Along provisions**

16.2.1. The rights of pre-emption on transfer of Shares set out in these Articles will not apply to the transfer of any Shares to a Third Party Purchaser named in a Drag Along Notice (or as that Third Party Purchaser may direct). Any Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with **Article 14** will automatically be revoked by the service of a Drag Along Notice.

16.2.2. Upon any person (a "**New Shareholder**") becoming, at any time after the service of a Drag Along Notice, a registered holder of any Share pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the then current Drag Along Notice, will immediately be deemed to have been served upon that New Shareholder. Upon the deemed service of a

Drag Along Notice pursuant to this **Article 16.2.3** the New Shareholder will become bound to sell and transfer to the Third Party Purchaser (or as the Third Party Purchaser may direct) any Share acquired by him as a result of the exercise of any such option, warrant or other right to subscribe for or acquire Shares. The provisions of this **Article 16** will apply mutatis mutandis to the sale of any such Shares by such New Shareholder provided that completion of the sale and purchase of those Shares will take place on whichever is the later of:

16.2.2.1. the date on which a Drag Along Notice is deemed to have been served on the New Shareholder pursuant to this **Article 16**; and

16.2.2.2. the date of completion of the sale and purchase of the Continuing Shares pursuant to the original Drag Along Notice.

### **16.3. Default by Continuing Shareholders**

16.3.1. Upon the service of a Drag Along Notice, each Continuing Shareholder will be deemed to have irrevocably appointed each of the Selling Shareholders (severally) as the lawful agent of the Continuing Shareholder to take any action which they deem necessary or desirable in order to complete the arrangements contemplated by this **Article 16** including executing, in the name of and on behalf of that Continuing Shareholder, any stock transfer form and covenant for full title guarantee in respect of the Continuing Shares registered in the name of that Continuing Shareholder.

16.3.2. After the Third Party Purchaser has been registered in purported exercise of the power conferred by this **Article 16.3**, the validity of the proceedings may not be questioned by any person.

## **17. TAG ALONG**

17.1. Notwithstanding any other provision of these Articles, no sale or other disposition of any Shares (the "**Committed Shares**") which would result in a Change of Control may be made or registered unless before the transfer is lodged for registration:

17.1.1. the Founder Shareholders or the holders of 51% or more of the Shares have consented to such transfer;



- 17.1.2. the relevant Third Party Purchaser has served a notice on the Directors and all the Shareholders (a "**Tag Along Notice**") complying with **Article 17.1.3**;
- 17.1.3. the Tag Along Notice must contain a bona fide offer (a "**Tag Along Offer**") by the Third Party Purchaser to acquire, in accordance with this **Article 17**, from all the Shareholders (other than persons connected with or acting in concert with the Third Party Purchaser) all the Shares which are not Committed Shares (the "**Uncommitted Shares**") for the consideration, or at the price, (the "**Tag Along Consideration**") calculated in accordance with **Articles 17.3 and 17.4**.
- 17.2. A Tag Along Notice must :
  - 17.2.1. state the Tag Along Consideration (subject to **Article 17.4**);
  - 17.2.2. state the identity of the Third Party Purchaser;
  - 17.2.3. invite the relevant offerees to respond in writing to the Third Party Purchaser stating that they wish to accept the Tag Along Offer;
  - 17.2.4. state a date (being not less than 5 nor more than 20 Business Days after the date of service of the Tag Along Notice) on which the Tag Along Notice will expire; and
  - 17.2.5. subject to **Article 17.4.1**, expire, and the Tag Along Offer deemed to be withdrawn if not previously accepted by the relevant offerees, on the date specified.
- 17.3. Subject to **Article 17.4**, the Tag Along Consideration will be the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Committed Share together with the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Committed Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Committed Shares.
- 17.4. If the Tag Along Consideration cannot be agreed between the Third Party Purchaser and the holders of not less than 50% of the Uncommitted Shares within 10 Business Days of the date of service of the Tag Along Notice, the Directors must immediately refer such matter for determination to the Expert in accordance with **Article 18** and, pending his determination:
  - 17.4.1. the period specified in the Tag Along Notice for acceptance of the Tag Along Offer will not start to run until such time as the Experts' determination of the Tag Along Consideration is served on the Third

Party Purchaser and the Shareholders holding Uncommitted Shares;  
and

17.4.2. the sale or transfer of the Committed Shares will have no effect and will not be registered.

17.5. Completion of the sale and purchase of the Uncommitted Shares will take place on the same date as completion of the sale and purchase of the Committed Shares (unless the Directors and all of the holders of Uncommitted Shares agree).

## **18. EXPERT**

Where these Articles provide for any matter to be determined by the Expert, the provisions of this **Article 18** will apply. The decision of the Expert (who will be deemed to act as an expert and not as an arbitrator) will, save in the event of fraud or manifest error, be final and binding on the Company and the Shareholders (as the case may be). The cost of such determination will be borne as directed in the relevant Article, or where no such direction is given, by the party or parties in such proportions as determined by the Expert (taking into account the conduct of the parties and the merits of their respective arguments in relation to any matters in dispute) or where no such determination is made by the Expert, equally by the parties concerned.

## **19. BUY BACK OF SHARES**

19.1. In accordance with section 692(1)(b) of the Act, the Company may purchase its own shares with cash up to an amount in a financial year not exceeding the lower of:

19.1.1. (i) £15,000; or

19.1.2. (ii) the value of 5% of its share capital.

## **20. SHARE CERTIFICATES**

20.1. The Company must issue each member with one or more certificates in respect of the shares which that member holds.

20.2. Except as is otherwise provided in these Articles, all certificates must be issued free of charge.

20.3. No certificate may be issued in respect of shares of more than one class.

20.4. A member may request the Company, in writing, to replace:-

20.4.1. the member's separate certificates with a consolidated certificate, or

20.4.2. the member's consolidated certificate with two or more separate certificates.

- 20.5. When the Company complies with a request made by a member under **Article 20.4** above, it may charge a reasonable fee as the directors decide for doing so.
- 20.6. Every certificate must specify:-
  - 20.6.1. in respect of how many shares, of what class, it is issued;
  - 20.6.2. the nominal value of those shares;
  - 20.6.3. the amount paid up on those shares; and
  - 20.6.4. any distinguishing numbers assigned to them.
- 20.7. Certificates must-
  - 20.7.1. have affixed to them the Company's common seal; or
  - 20.7.2. be otherwise executed in accordance with the Companies Acts.

## **21. CONSOLIDATION OF SHARES**

- 21.1. This Article applies in circumstances where:
  - 21.1.1. there has been a consolidation of shares; and
  - 21.1.2. as a result, members are entitled to fractions of shares.
- 21.2. The Directors may:
  - 21.2.1. sell the shares representing the fractions to any person including the Company for the best price reasonably obtainable; and
  - 21.2.2. authorise any person to execute an instrument of transfer of the shares to the purchaser or a person nominated by the purchaser.
- 21.3. Where any holder's entitlement to a portion of the proceeds of sale amounts to less than a minimum figure determined by the Directors, that member's portion may be distributed to an organisation which is a charity for the purposes of the law of England and Wales, Scotland or Northern Ireland.
- 21.4. A person to whom Shares are transferred is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions.
- 21.5. The transferee's title to the shares is not affected by any irregularity in or invalidity of the process leading to their sale.

## **22. DIVIDENDS**

- 22.1. Except as otherwise provided by the Articles or the rights attached to the Shares, all dividends must be:
  - 22.1.1. declared and paid according to the amounts paid up on the Shares on which the dividend is paid; and

- 22.1.2. apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.
- 22.2. If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly.
- 22.3. For the purpose of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount.

### **23. CAPITALISATION OF PROFITS**

In Model Article 36(4), after "A capitalised sum which was appropriated from profits available for distribution may be applied" insert the following -

- (a) *in or towards paying up any amounts unpaid on existing Shares held by persons entitled, or*
- (b) *"*

and Model Article 36(4) is modified accordingly.

### **24. PROCEEDINGS AT GENERAL MEETINGS**

- 24.1. No business may be transacted at any general meeting unless a quorum is present.
- 24.2. If and for so long as the Company has one member only, one member entitled to vote on the business to be transacted, who is present at a general meeting in person or by one or more proxies or, in the event that the member is a corporation, by one or more corporate representatives, is a quorum.
- 24.3. If and for so long as the Company has two or more members, two members, each of whom is entitled to vote upon the business to be transacted, and is present at a general meeting in person or by one or more proxies or, in the event that any member present is a corporation, by one of more corporate representatives, are a quorum.
- 24.4. If a quorum is not present within half an hour of the time appointed for the meeting then the meeting must be dissolved.
- 24.5. A resolution put to the vote of a meeting will be decided on a show of hands unless before, or on the declaration of the result of, the show of hands a poll is duly demanded.
- 24.6. A poll may be demanded:
- 24.6.1. by the Chairman; or

- 24.6.2. by a member (present in person or by proxy) having the right to attend and vote at the meeting; or
- 24.6.3. by a duly authorised representative of a corporation.
- 24.7. The demand for a poll may, before the poll is taken, be withdrawn. A demand so withdrawn will not be taken to have invalidated the result of a vote on a show of hands declared before the demand was made.
- 24.8. On a show of hands or on a poll votes may be given either personally or by proxy.
- 24.9. A resolution in writing executed pursuant to section 288 of the Act and which is expressed to be a special resolution or an ordinary resolution will have effect accordingly.
- 24.10. In determining attendance at a general meeting, it is immaterial whether any two or more members attending it are in the same place as each other.
- 24.11. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meetings, they are (or would be) able to exercise them.

## **25. VOTES OF MEMBERS**

- 25.1. Unless the Directors otherwise determine no member may vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any share held by him unless all the moneys presently payable by him in respect of that share have been paid. Model Article 37 will be amended accordingly.
- 25.2. The notice appointing a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the Directors may:
  - 25.2.1. in the case of an instrument in writing be deposited at the office or at such other place within the United Kingdom and at such time as is specified in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting; or
  - 25.2.2. (notwithstanding any provision to the contrary in the notice convening the meeting or in any instrument of proxy sent out by the Company in relation to the meeting):
    - 25.2.2.1. in the case of an instrument in writing be deposited with the Chairman 30 minutes before the commencement of the meeting or adjourned meeting; or

- 25.2.2.2. in the case of an electronic communication be received not less than 24 hours before the commencement of the meeting or adjourned meeting and an instrument of proxy which is not deposited or delivered in a manner so permitted will be invalid.
- 25.3. For the avoidance of doubt, any reference to "writing" in this Article excludes the writing on a visual display unit, faxes, telexes or e-mail.

## **26. WRITTEN RESOLUTIONS OF MEMBERS**

- 26.1. Subject to sub-paragraph 26.2, a written resolution of members passed in accordance with Part 13 of the Act is as valid and effectual as a resolution passed at a general meeting of the Company.
- 26.2. The following may not be passed as a written resolution and may only be passed at a general meeting:
- 26.2.1. a resolution under section 168 of the Act for the removal of a director before the expiration of his period of office; and
- 26.2.2. a resolution under section 510 of the Act for the removal of an auditor before the expiration of his period of office.
- 26.3. No member may vote on a written resolution unless all moneys currently due and payable in respect of any shares held by him have been paid.

## **27. NUMBER OF DIRECTORS**

- 27.1. Unless otherwise determined by the Company in general meeting, the number of Directors is not subject to any maximum but need not exceed two.

## **28. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 28.1. Any Director (appointor) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
- 28.1.1. exercise that Director's powers; and
- 28.1.2. carry out that Director's responsibilities
- in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.*
- 28.2. 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.

- 28.3. The notice must:
- 28.3.1. identify the proposed alternate; and
  - 28.3.2. 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.

## **29. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

- 29.1. 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.
- 29.2. Except as the Articles specify otherwise, alternate Directors:
- 29.2.1. are deemed for all purposes to be Directors
  - 29.2.2. are liable for their own acts and omissions
  - 29.2.3. are subject to the same restrictions as their appointors; and
  - 29.2.4. are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate Director will 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.
- 29.3. A person who is an alternate Director but not a Director:
- 29.3.1. 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)
  - 29.3.2. 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
  - 29.3.3. will not be counted as more than one Director for the purposes of **Articles 29.3.1 and 29.3.2.**
- 29.4. 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 may not count as more than one Director for the purposes of determining whether a quorum is present.
- 29.5. *An alternate Director is not 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.*

### **30. TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate Director's appointment as an alternate terminates:

- 30.1. when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
- 30.2. 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;
- 30.3. on the death of the alternate's appointor; or
- 30.4. when the alternate's appointor's appointment as a Director terminates

### **31. POWERS OF DIRECTORS**

In addition to and without prejudice to the generality of the powers conferred by Model Article 3 the Directors may exercise all the powers of the Company to borrow and to mortgage or charge all the undertaking and property of the Company including the uncalled capital or any part of it, and to issue debentures, debenture stock and other securities, whether outright or as security for any debt, liability or obligation of the Company or of any third party.

### **32. DISQUALIFICATION AND REMOVAL OF DIRECTORS**

- 32.1. The office of a Director will automatically be vacated, and the Director in question will be deemed to have resigned, in the case of an executive Director only, upon that Director ceasing for any reason whatsoever to be employed by the Company or any other Group Company in circumstances where he does not remain, or immediately thereupon become, an employee of another Group Company.
- 32.2. Model Article 18(d) will be amended by substituting the following for paragraph (c):  
“(c) that person becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a Director;”

### **33. PROCEEDINGS OF DIRECTORS**

- 33.1. The quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless so fixed will be two.
- 33.2. 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. 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 in writing. Model Article 8(2) will be amended accordingly.

- 33.3. If the numbers of votes for and against a proposal at a meeting of directors are equal, the Chairman has a casting vote.

#### **34. DIRECTORS CONFLICT OF INTEREST**

- 34.1. Subject to **Article 34.2** the Directors may, in accordance with section 175(5)(a) of the Act, authorise any matter which would otherwise involve or may involve a Director breaching his duty under section 175(1) of the Act to avoid conflicts of interest (a "**Conflict**").

- 34.2. When a Conflict is considered by the Directors the Director seeking authorisation in relation to the Conflict and any other Director with a similar interest:

34.2.1. will not count in the quorum nor vote on a resolution authorising the Conflict; and

34.2.2. may if the other Directors so decide, be excluded from the board meeting while the Conflict is considered.

- 34.3. A Director, notwithstanding his office, and without breaching his duty under section 175 of the Act may :

34.3.1. be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in a company which is for the time being a holding company or a subsidiary of the Company or a subsidiary of a holding company of the Company;

34.3.2. be a shareholder of the Company;

34.3.3. hold any other office or place of profit with the Company (except that of auditor) in conjunction with his office of Director for such period and upon such terms, including as to remuneration, as the Directors may decide;

and no authorisation under **Article 34.1** will be necessary in respect of any such interest. A Director is not accountable to the Company for any remuneration or other benefits which he derives from any such office or employment or from any interest in any such body corporate.

- 34.4. Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed contract, transaction or arrangement with the Company, or in which the Company is (directly or indirectly) interested:

- 34.4.1. may be a party to, or otherwise interested in any such contract, transaction or arrangement;
  - 34.4.2. subject to **Article 34.2**, will be entitled to count in the quorum and to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of any proposed decision relating to such contract, transaction or arrangement;
  - 34.4.3. will not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement and no such contract, transaction or arrangement will be liable to be avoided on the grounds of any such interest or benefit nor will the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.
- 34.5. Model Article 19(5) is modified accordingly.

### **35. SECRETARY**

The Directors may appoint any person who is willing to act as a 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.

### **36. NOTICES**

- 36.1. The Company can deliver a notice or other document pursuant to these Articles to a shareholder or any other person (other than a notice calling a meeting of the Directors):
- 36.1.1. by delivering it by hand to the address recorded for the shareholder on the register;
  - 36.1.2. by sending it by post or other delivery service in an envelope (with postage or delivery paid) to the address recorded for the shareholder on the register;
  - 36.1.3. by electronic mail (except a share certificate) to an address notified by the shareholder in writing; or
  - 36.1.4. by a website (except a share certificate) the address of which must be notified to the shareholder in writing;
- 36.2. This Article does not affect any provision in any relevant legislation or the Articles requiring notices or documents to be delivered in a particular way.

- 36.3. In the case of joint holders of a share, all notices must be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given will be sufficient notice to all the joint holders. A member whose registered address is not within the United Kingdom and who gives to the Company an address (which includes an electronic mail address) within the United Kingdom at which notices may be given to him will be entitled to have notices given to him at that address, but otherwise no such member will be entitled to receive any notice from the Company.
- 36.4. If a notice or document is delivered by hand, it is treated as being delivered at the time it is handed to or left for the shareholder. If a notice or document is sent by post or other delivery service not referred to below, it is treated as being delivered:
- 36.4.1. 24 hours after it was posted, if first class post was used; or
- 36.4.2. 72 hours after it was posted or given to delivery agents, if first class post was not used;
- provided it can be proved conclusively that a notice or document was delivered by post or other delivery service by showing that the envelope containing the notice or document was:
- 36.4.3. properly addressed; and
- 36.4.4. put into the post system or given to delivery agents with postage or delivery paid.
- 36.5. If a notice or document (other than a share certificate) is sent by electronic mail, it is treated as being delivered at the time it was sent. If a notice or document (other than a share certificate) is sent by a website, it is treated as being delivered when the material was first made available on the website, or if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

## **37. ACCOUNTS**

Model Article 50 is amended by replacing “no person is entitled to inspect any of the company’s accounting or other records or documents” with “ no person, other than the Shareholders, is entitled to inspect any of the Company’s accounting or other records or documents.”.

## **38. INDEMNITY AND INSURANCE**

- 38.1. Subject to **Article 38.2**, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled:

- 38.1.1. each Relevant Officer must be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer:
- 38.1.1.1. in the actual or purported execution and/or discharge of his duties, or in relation thereto ; and
- 38.1.1.2. in relation to the 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 other Group Company's) affairs; and
- 38.1.2. 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 38.1** and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure.
- 38.2. This **Article 38** does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 38.3. 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.
- 38.4. In this Article:
- 38.4.1. **"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 (or other Group Company) or any pension fund or employees' share scheme of the Company (or other Group Company); and
- 38.4.2. **"Relevant Officer"** means any Director or other officer or former Director or other officer of any Group Company (including any company with 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 a Group

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

### **39. TRANSMISSION OF SHARES**

- 39.1. Model Article 27 is modified by the addition of Model Articles 27(4) in the following terms:

*“Nothing in these Articles releases the estate of a deceased member from any liability in respect of a share solely or jointly held by that member.”.*

- 39.2. All the Articles relating to the transfer of shares apply to :

39.2.1. any notice in writing given to the Company by a transmittee in accordance with Model Article 28(1); and

39.2.2. any instrument of transfer executed by a transmittee in accordance with Model Article 28(2)

as if such notice or instrument were an instrument of transfer executed by the person from whom the transmittee derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION  
OF  
VICTOR'S DRINKS LIMITED**

**COMPANY NUMBER: 07213215**

**(Adopted by Special Resolution on 5 September 2018)**