

Company number 07582051
THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION

OF

TINY REBEL LIMITED

(Adopted by special resolution passed on 20th December 2022)

INTRODUCTION

1. Interpretation

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

Act	means the Companies Act 2006.
Acting in Concert	has the meaning given to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time).
Agreed Value	means in relation to a Share, as determined in accordance with article 20.
Articles	means the articles of association of the Company.
B Shares	means the ordinary B shares of £1.00 each in capital of the Company.
B Shareholder	means a holder of B Shares.
Bad Leaver	means an Employee or Consultant who becomes a Departing Employee or Consultant by reason of misconduct and/or capability.
Bankruptcy Event	means a bankruptcy petition being presented for the bankruptcy of a Shareholder, or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors.
Business Day	means any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.
Civil Partner	means in relation to a Shareholder, a civil partner as defined in the Civil Partnership Act

2004.

Conflict	has the meaning given in article 8.1.
Consultant	means a Shareholder who is a consultant to the Company
Controlling Interest	means an interest in shares giving to the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010.
Deemed Transfer Notice	means a Transfer Notice that is deemed to have been served under article 19.1 or article 19.2.
Departing Employee or Consultant	means an Employee who ceases to be an employee of or a Consultant who ceases to be a consultant to the Company (other than by reason of death).
EBITDA	means the average earnings before interest, tax depreciation and amortisation calculated by the Valuers by reference to the last three years of filed accounts of the Company.
Eligible Director	means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).
Employee	means a Shareholder who is an employee of the Company.
Excluded Shareholder	(a) each Shareholder whose proposed course of action (or that of their Permitted Transferees) is the subject of the relevant Shareholder Consent; (b) each Shareholder holding Shares as a result of a Permitted Transfer from a Shareholder referred to in paragraph (a), but only to the extent that such Shares were acquired pursuant to a Permitted Transfer from that Shareholder.
Good Leaver	means an Employee or Consultant who becomes a Departing Employee or Consultant in circumstances where he/she is not a Bad Leaver.
Model Articles	means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles.
Ordinary Shares	means the ordinary shares of £1.00 each in the

	capital of the Company.
Ordinary Shareholder	means a holder of Ordinary Shares.
Original Seller	means a Seller who is a holder of Ordinary Shares.
Original Shareholder	means each Ordinary Shareholder, excluding any Ordinary Shareholder who, for the time being, only holds Shares as a result of a Permitted Transfer.
Permitted Maximum	<p>means such number of Shares that would, following a Permitted Transfer, result in an Original Shareholder continuing to hold at least 50% in nominal value of all Shares held for the time being by:</p> <p>(a) that Original Shareholder; and</p> <p>(b) his Permitted Transferees, but excluding any Shares that the Board (acting with Shareholder Consent) declares itself satisfied were not acquired pursuant to a Permitted Transfer by that Original Shareholder (or by another Permitted Transferee of that Original Shareholder).</p>
Permitted Transfer	means a transfer of Shares made in accordance with article 8.
Permitted Transferee	means in relation to an Original Shareholder, any of his Privileged Relations.
Privileged Relation	means the spouse or Civil Partner of an Original Shareholder and the Original Shareholder's parents, children and grandchildren (including step and adopted children and grandchildren).
Shares	means the Ordinary Shares and the B Shares.
Shareholder	means the holder of any Shares in the Company.
Shareholder Consent	means the prior written consent of the holder(s) for the time being of not less than 75% by nominal value of all Shares held by the Original Shareholders, excluding, where relevant, any Shares held by an Excluded Shareholder. For the purposes of this definition, an Original Shareholder shall be deemed to hold all Shares for the time being registered in the name of any of his Permitted Transferees pursuant to a Permitted Transfer (whether directly or indirectly) by that Original Shareholder.

Termination Date

(a) where employment ceases by virtue of notice given by the employer to the Employee, the date on which such notice expires;

(b) where a consultancy ceases by virtue of notice given by either the Company or the Consultant, the date on which such notice expires;

(c) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served;

(d) in any other case, the date on which the employment is terminated.

Transfer Price

means the price per Sale Share determined in accordance with article 17.5 or in the case of a Compulsory Transfer in accordance with article 19.4.

Valuers

means the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants or valuers jointly appointed by the Seller and the Board (acting with Shareholder Consent) or, in the absence of agreement between the Seller and the Board on the identity of the expert within ten Business Days of the expiry of the tenth Business Day period referred to in article 17.5, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.

- 1.7 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 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.
- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.11 Article 7 of the Model Articles shall be amended by:
 - 1.11.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 1.11.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 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".
- 1.13 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".
- 1.14 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.15 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".
- 1.16 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. ENVIRONMENTAL & SOCIAL GOVERNANCE

- 2.1 The objects of the Company are to promote the success of the Company;
 - 2.1.1 for the benefit of its members as a whole; and
 - 2.1.2 through its business and operations, to have a material positive impact on (a) society and (b) the environment, taken as a whole.
- 2.2 A Director must act in the way he or she considers, in good faith, most likely to promote the success of the Company in achieving the objects set out in

paragraph 2.1 above, and in doing so shall have regard (amongst other matters) to:

- 2.2.1 the likely consequences of any decision of the Directors in the long term and the impact any such decision may have on any affected stakeholders,
 - 2.2.2 the interests of the Company's employees,
 - 2.2.3 the need to foster the Company's business relationships with suppliers, customers and others,
 - 2.2.4 the impact of the Company's operations on the community and the environment and on affected stakeholders,
 - 2.2.5 the desirability of the Company maintaining a reputation for high standards of business conduct and the impact this has on affected stakeholders, and
 - 2.2.6 the need to act fairly as between members of the Company, (together, the matters referred to above shall be defined for the purposes of this Article as the "**Stakeholder Interests**" and each a "**Stakeholder Interest**").
- 2.3 For the purposes of a Director's duty to act in the way he or she considers, in good faith, most likely to promote the success of the Company, a Director shall not be required to regard the benefit of any particular Stakeholder Interest or group of Stakeholder Interests as more important than any other;
- 2.4 Nothing in this Article express or implied, is intended to or shall create or grant any right or any cause of action to, by or for any person (other than the Company).
- 2.5 The Directors of the Company shall, for each financial year of the Company, prepare and circulate to its members an impact report. The impact report shall contain a balanced and comprehensive analysis of the impact the Company's business has had, in a manner proportionate to the size and complexity of the business. The impact report shall contain such detail as is necessary to enable the members to have an understanding of the way in which the Company has promoted its success for the benefit of its members as a whole and, through its business and operations, sought to have a material positive impact on society and the environment, taken as a whole. If the Company is also required to prepare a strategic report under the Companies Act 2006, the Company may choose to publish the impact report as part of its strategic report and in accordance with the requirements applying to the strategic report.

3. Unanimous decisions

- 3.1 A decision of the directors is taken in accordance with this article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 3.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.

- 3.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

4. Calling a directors' meeting

- 4.1 Any director may call a directors' meeting by giving not less than seven 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.

5. Quorum for directors' meetings

- 5.1 Subject to article 5.2, the quorum for the transaction of business at a meeting of directors is any four Eligible Directors.
- 5.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a director's conflict, if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 5.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 5.3.1 to appoint further directors; or
 - 5.3.2 to call a general meeting so as to enable the Shareholders to appoint further directors.

6. Casting vote

- 6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.
- 6.2 Article 6.1 shall not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, the chairman or other director is not an Eligible Director for the purposes of that meeting (or part of a meeting).

7. Transactions or other arrangements with the company

- 7.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:
- 7.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
 - 7.1.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 7.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in

respect of such existing or proposed transaction or arrangement in which he is interested;

- 7.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 7.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 7.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

8. Directors' conflicts of interest

- 8.1 The Shareholders may, by ordinary resolution authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 8.2 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently):
 - 8.2.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 8.2.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 8.2.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 8.2.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 8.2.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and

- 8.2.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 8.3 Where the Shareholders authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 8.4 The Shareholders may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 8.5 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.
9. Records of decisions to be kept
- Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye.
10. Number of directors
- Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two.
11. Appointment of directors
- In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.
12. Appointment and removal of alternate directors
- 12.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
- 12.1.1 exercise that director's powers; and
- 12.1.2 carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's appointor.
- 12.2 Any appointment or removal of an alternate must be effected by notice in writing to the company signed by the appointor, or in any other manner approved by the directors.

12.3 The notice must:

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

13. Rights and responsibilities of alternate directors

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

13.2 Except as the Articles specify otherwise, alternate directors:

- 13.2.1 are deemed for all purposes to be directors;
- 13.2.2 are liable for their own acts and omissions;
- 13.2.3 are subject to the same restrictions as their appointors; and
- 13.2.4 are not deemed to be agents of or for their appointors

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

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

- 13.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- 13.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate); and
- 13.3.3 shall not be counted as more than one director for the purposes of article 13.3.

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

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

14. Termination of alternate directorship

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

- 14.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
- 14.1.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;
- 14.1.3 on the death of the alternate's appointor; or
- 14.1.4 when the alternate's appointor's appointment as a director terminates.

15. 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

16. Share Capital

- 16.1 The Ordinary Shares and the B Shares shall not rank pari passu.
- 16.2 The Ordinary Shares shall have the following rights: -
 - 16.2.1 full voting rights;
 - 16.2.2 a right to be considered for a dividend by the Board; and
 - 16.2.3 full equity rights
- 16.3 The B Shares shall have the following rights: -
 - 16.3.1 no voting rights;
 - 16.3.2 a right to be considered for a dividend by the Board; and
 - 16.3.3 full equity rights.

17. Transfer of Shares

- 17.1 No Shareholder shall create any Encumbrance over, transfer or otherwise dispose of or give any person any rights in or over any Share or any interest in any Share, except as permitted or required by these Articles, or with Shareholder Consent. The B Shareholders shall also be obliged to hold their shares for at least five (5) years before they are able to transfer their shares.
- 17.2 Subject to article 18.1 the Board shall register any duly stamped transfer made in accordance with these Articles, unless it suspects that the proposed transfer may be fraudulent.
- 17.3 Except where the provisions of article 18 (Permitted Transfers) and article 19 (Compulsory Transfers) apply, a Shareholder (**Seller**) wishing to transfer any Shares must give a notice in writing (**Transfer Notice**) to the Company giving details of the proposed transfer, including:

- 17.3.1 the number of Shares he/she wishes to transfer (**Sale Shares**);
 - 17.3.2 if he/she wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
 - 17.3.3 the price per Sale Share (in cash) at which he/she wishes to sell the Sale Shares (**Proposed Sale Price**).
- 17.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares in accordance with the provisions of these Articles.
- 17.5 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be 100% of the Agreed Value where the Seller is an Employee 80% of the Agreed Value where the Seller is not an Employee and 75% of the Agreed Value where the Seller is a B Shareholder (**Sale Share Price**).
- 17.6 Once given, a Transfer Notice may only be withdrawn by the Seller where the value of the Transfer Price of the Sale Shares comprised within a Transfer Notice as determined in accordance with article 17.5 is less than the Proposed Sale Price. In such case, the Seller may, within five Business Days of receipt of notification of the Agreed Value, withdraw the Transfer Notice. A Deemed Transfer Notice may not be withdrawn.
- 17.7 As soon as practicable following the determination of the Transfer Price, the Board shall (unless the Transfer Notice is withdrawn in accordance with article 17.6) consider whether the Company is able and willing to purchase the Sale Shares. The Board shall have ten Business Days from the date the Transfer Price is agreed to give notice to the Seller of the Company's intention to purchase the Sale Shares.
- 17.8 If the Company has not given notice of its intention to purchase the Sale Shares within the period set out in article 17.7 then the Board shall offer the Sale Shares for sale to the other Original Shareholders (excluding any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice) (**Offerees**) inviting them to apply to the Company in writing within the period from the date of the offer to the date ten Business Days after the offer (both dates inclusive) (**Offer Period**) for the maximum number of Sale Shares they wish to buy. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.
- 17.9 If:
- 17.9.1 at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Offeree who has applied for Sale Shares in the proportion which his existing holding of Shares bears to the total number of Shares (excluding those held either by the Seller or by any Shareholder whose Shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice). Fractional entitlements shall be rounded down to the nearest whole number (save where such rounding would result in not all Sale Shares being allocated, in which case, the allocation of any such fractional entitlements among the Offerees shall be determined by the Board). No allocation shall be made to a

Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy;

17.9.2 not all Sale Shares are allocated following allocations in accordance with article 17.9.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 17.9.1. The procedure set out in this article 17.9.2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied; and

17.9.3 at the end of the Offer Period, the Company has not received applications in respect of all the Sale Shares, the Board shall allocate the Sale Shares to the Offerees in accordance with their applications. The balance of the Sale Shares shall be retained by the Seller unless otherwise approved by the Board (acting with Shareholder Consent).

17.10 The Board shall, when no further offers or allocations are required to be made under article 17.9, give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and to each Shareholder to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least ten Business Days, but not more than thirty Business Days, after the date of the Allocation Notice).

17.11 On the date specified for completion in the Allocation Notice the Seller shall, against payment from an Applicant, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Applicants or the Board may reasonably require to show good title to the Sale Shares, or to enable each of them to be registered as the holder of the Sale Shares.

17.12 If, following a sale of Shares in accordance with these Articles, a Shareholder will hold no further Shares (excluding any Shares held by his personal representatives, successors and permitted assigns) the Shareholder shall deliver, or procure that there are delivered, to the Company his resignation as a director of the Company and resignations from any directors appointed by him, such resignations to take effect at completion of the sale of the Sale Shares unless the Board determines otherwise.

17.13 Any transfer of Shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the Seller sells the Shares with full title guarantee.

17.14 If the Seller fails to comply with article 17.11:

17.14.1 the chairman of the Board (or, failing him, any other director of the Company or some other person nominated by a resolution of the Board) may, as agent on behalf of the Seller:

- 17.14.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- 17.14.1.2 receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price); and
- 17.14.1.3 (subject to the transfers being duly stamped) enter the Applicants in the register of shareholders as the holders of the Sale Shares purchased by them; and
- 17.14.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.
- 17.15 If any Applicant fails to pay the Transfer Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Transfer Price shall accrue interest at a rate equal to 2% per annum above the base rate of Barclays Bank Plc from time to time.
- 17.16 Each Shareholder shall use his reasonable endeavours to procure (so far as is lawfully possible in the exercise of his rights and powers as a shareholder of the Company) the registration of each transfer of Sale Shares under this article 16 (subject to due stamping of a transfer by the relevant Applicant(s)) and each of them consenting to such transfers and registrations.
- 17.17 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller will be required to retain the remaining Sale Shares until such time as the Company or other Shareholders wishes to purchase them unless otherwise agreed by the Board (acting with Shareholder Consent). For the avoidance of doubt the price for those remaining Sale Shares shall be the lower of the Transfer Price determined in accordance with this article following the Transfer Notice or the price determined using the terms of this article at the date of actual purchase.

18. Permitted Transfers

- 18.1 Subject to article 18.2 an Original Shareholder may transfer up to the Permitted Maximum number of Shares to any of his Permitted Transferees without restriction as to price or otherwise provided that the Board gives their prior written consent to such transfer;
- 18.2 A Shareholder holding Shares as a result of:
 - 18.2.1 a transfer by an Original Shareholder under article 18.1; or
 - 18.2.2 a transfer by a Permitted Transferee of an Original Shareholder in accordance with article 18.3 to article 18.4 (inclusive),

may, transfer any or all such Shares back to that Original Shareholder (or to one or more other Permitted Transferees of that Original Shareholder) without restriction as to price or otherwise.

18.3 If a Permitted Transfer has been made to a Privileged Relation of an Original Shareholder, that Privileged Relation shall within five Business Days of ceasing to be a Privileged Relation of that Original Shareholder (whether by reason of divorce, dissolution of a civil partnership or otherwise, but not by reason of death) execute and deliver to the Company a transfer of those Shares held by him pursuant to a Permitted Transfer in favour of that Original Shareholder (or in favour of one or more other Permitted Transferees of that Original Shareholder) for nominal value.

18.4 In relation to a Privileged Relation (other than a joint holder) holding Shares pursuant to a Permitted Transfer from an Original Shareholder, on the occurrence of:

18.4.1 the Privileged Relation's death;

18.4.2 the Privileged Relation suffering a Bankruptcy Event; or

18.4.3 the Privileged Relation lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding,

that Privileged Relation, his personal representatives, his trustee(s) in bankruptcy, his attorney(s) or otherwise (as the case may be) shall, within ten Business Days after the grant of probate, the making of the bankruptcy order or the determination of lack of capacity (as the case may be), execute and deliver to the Company a transfer of those Shares in favour of that Original Shareholder (or, if so directed by the Original Shareholder in favour of one or more other Permitted Transferees of that Original Shareholder) for nominal value.

18.5 Upon his death an Original Shareholders Shares may be transferred to any of his Permitted Transferees if the Shareholders last will and testament (**Will**) directs as such and the Board (acting with Shareholder Consent) provides their consent to the transfer. Following a Permitted Transfer in accordance with this article 18.5 such Permitted Transferee shall become for the purpose of these Articles an Original Shareholder. In the event that the Original Shareholders Will does not state as such or the Board do not provide their consent then article 19.1.1 shall apply.

19. Compulsory transfer

19.1 A Shareholder is deemed to have served a Transfer Notice under article 17.3 immediately before any of the following events:

19.1.1 subject to articles 18.4 and 18.5 the Shareholder's death;

19.1.2 subject to article 18.4, a bankruptcy petition being presented for the Shareholder's bankruptcy, or an arrangement or composition being proposed with any of his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors;

- 19.1.3 subject to article 18.4, the Shareholder lacking capacity (under section 2 of the Mental Health Act 2005) to make decisions in relation to the Company or his shareholding;
 - 19.1.4 the Shareholder (being an Employee or Consultant) becoming a Departing Employee or Consultant, unless the Board (acting with Shareholder Consent) otherwise directs in writing within ten Business Days of the relevant Termination Date that a Transfer Notice shall not be deemed to have been served; and
 - 19.1.5 the Shareholder committing a material or persistent breach of the Articles which, if capable of remedy, has not been so remedied within ten Business Days of notice to remedy the breach being served by the Board (acting with Shareholder Consent).
- 19.2 A Transfer Notice deemed to have been served by a Shareholder under article 19.1 shall immediately deem a Transfer Notice to have been served under article 17.3 by any Permitted Transferee of that Shareholder in respect of all Shares held by such Permitted Transferee(s) (excluding any Shares that the Board (acting with Shareholder Consent) declares itself satisfied were not acquired pursuant to a Permitted Transfer by that Shareholder (or by another Permitted Transferee of that Shareholder)).
- 19.3 A Deemed Transfer Notice deemed to be served under article 19.1.4 or article 19.1.5 shall immediately and automatically revoke:
- 19.3.1 a Transfer Notice served by the relevant Shareholder or any of his Permitted Transferees before the occurrence of the relevant event giving rise to the Deemed Transfer Notice (excluding a Transfer Notice served by a Permitted Transferee that relates exclusively to Shares not acquired (whether directly or indirectly) pursuant to a Permitted Transfer); and
 - 19.3.2 a Deemed Transfer Notice deemed to be served by the relevant Shareholder under any of the events set out in article 19.1.1 to article 19.1.3 (inclusive).
- 19.4 A Deemed Transfer Notice has the same effect as a Transfer Notice and the provisions of article 16 shall apply, except that:
- 19.4.1 the Deemed Transfer Notice shall be treated as having specified that the Seller wishes to transfer all the Shares held by him/her (including any Shares acquired after the date the relevant Transfer notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Deemed Transfer Notice);
 - 19.4.2 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Shares;
 - 19.4.3 subject to article 19.4.4, article 19.4.5 and article 19.4.6 the Transfer Price shall be the Sale Share Price;
 - 19.4.4 if the Original Seller is deemed to have given a Transfer Notice as a result of article 19.1.2 or 19.1.5, the Transfer Price shall be restricted to 75% of the Agreed Value of each such Sale Share;

- 19.4.5 if the Original Seller is deemed to have given a Transfer Notice as a result of article 19.1.4, the Transfer Price shall, where the Departing Employee or Consultant is:
 - 19.4.5.1 a Bad Leaver, be restricted to 50% of the Agreed Value of each such Sale Share; and
 - 19.4.5.2 a Good Leaver, be 100% of the Agreed Value of each such Sale Share;
- 19.4.6 if the Seller is a B Shareholder and is deemed to have given a Transfer Notice as a result of article 19.1.4 the Transfer Price shall, where the Departing Employee or Consultant is:
 - 19.4.6.1 a Bad Leaver, be restricted to 50% of the Agreed Value of each such Sale Share; and
 - 19.4.6.2 a Good Leaver, be 75% of the Agreed Value of each such Sale Share;
- 19.4.7 the Seller does not have a right to withdraw the Deemed Transfer Notice following a valuation;
- 19.4.8 where the Seller is deemed to have given a Transfer Notice as a result of article 19.1 and the Company does not wish to purchase the Sale Shares then in accordance with the provisions of article 17 should any of the other Shareholders wish to purchase the Sale Shares they shall be entitled to spread the payment of the Transfer Price as follows:-
 - 19.4.8.1 50% of the Transfer Price is to be paid upon the transfer; and
 - 19.4.8.2 the remaining 50% to be paid in instalments of 10% of the Transfer Price which are to be paid on the anniversary of the transfer and for the following 5 years until the Transfer Price has been paid in full; and
- 19.4.9 for the avoidance of doubt where the Sale Shares are paid for in accordance with article 19.4.8 the ownership of all the Sale Shares shall pass on the date of the first payment in accordance with article 19.4.8.1.
- 19.5 If the Allocation Notice(s) in respect of the Sale Shares comprised within a Deemed Transfer Notice does not relate to all the Sale Shares, the Seller does not have the right to sell the balance of the Sale Shares to a third party without the prior written consent of the Board (acting with Shareholder Consent) and shall be required to retain the remaining Sale Shares until such time as the Company or other Shareholders wishes to purchase them. For the avoidance of doubt the price for those remaining Sale Shares shall be the lower of the Transfer Price determined in accordance with this article following the Deemed Transfer Notice or the price determined using the terms of this article at the date of actual purchase.

20. Valuation of Shares

- 20.1 The Valuers shall be requested to determine the Agreed Value within ten Business Days of their appointment and to notify the Company and the Seller in writing of their determination.
- 20.2 The Agreed Value for any Sale Share shall be the price per Share determined in writing by the Valuers based on fair market value using the following mechanism:

(EBITDA x 8) x percentage of shares held

21. Drag along

- 21.1 Except in the case of transfers pursuant to article 18.5 (Compulsory Transfers) and after going through the pre-emption procedure set out in article 16 (Transfer of Shares) then the provisions of this article 21 will apply.
- 21.2 If the shareholders holding more than 60% of the shares in issue (**Sellers**) wish to transfer all (but not some only) of their Shares to a bona fide purchaser on arm's length terms (**Proposed Buyer**), the Sellers may require the remaining shareholders (**Called Shareholders**) to sell and transfer all of their shares (**Called Shares**) to the Proposed Buyer (or as the Proposed Buyer directs) in accordance with the provisions of this article (**Drag Along Option**).
- 21.3 The Sellers may exercise the Drag Along Option by giving written notice to that effect to the Called Shareholders (**Drag Along Notice**) at any time before the transfer of the Shares to the Proposed Buyer. The Drag Along Notice shall specify:
- 21.3.1 that the Called Shareholders are required to transfer all of their Called Shares pursuant to this article 21;
 - 21.3.2 the person to whom the Called Shares are to be transferred;
 - 21.3.3 the purchase price payable for the Called Shares which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the Shares; and
 - 21.3.4 the proposed date of the transfer.
- 21.4 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Sellers have not sold their Shares to the Proposed Buyer within thirty Business Days of serving the Drag Along Notice. The Seller may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 21.5 No Drag Along Notice shall require the Called Shareholders to agree to any terms except those specifically set out in this article 21.
- 21.6 Completion of the sale of the Called Shares shall take place on the Completion Date. Completion Date means the date proposed for completion of the sale of the Shares unless:
- 21.6.1 the Sellers and the Called Shareholders agree otherwise in which case the Completion Date shall be the date agreed in writing by them; or

- 21.6.2 that date is less than twenty Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be the twenty Business Day after service of the Drag Along Notice.
- 21.7 The proposed sale of the Shares by the Seller to the Proposed Buyer is subject to the rights of pre-emption set out in article 16, but the sale of the Called Shares by the Called Shareholders shall not be subject to those provisions.
- 21.8 On or before the Completion Date, the Called Shareholders shall execute and deliver stock transfer forms for the Called Shares, together with the relevant share certificate(s) (or a suitable indemnity for any lost share certificate(s)) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts due pursuant to article 21.3 to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 21.9 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the purchase price due in respect of the Called Shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 21 in respect of its Shares.
- 21.10 If the Called Shareholders do not, on or before the Completion Date, execute and deliver (in accordance with article 21.8) transfer(s) in respect of all of the Called Shares held by them, the Called Shareholders shall be deemed to have irrevocably appointed any person nominated for the purpose by the Sellers to be their agent to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such holder) of the purchase price payable for the Called Shares, and to deliver such transfer(s) to the Proposed Buyer (or as he may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder of the Called Shares, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this article 21.10.

22. Tag Along Rights on a Change of Control

- 22.1 Except in the case of transfers pursuant to article 18.5 (Compulsory Transfers) and after going through the pre-emption procedure set out in article 16 the provisions of article 22.2 to article 22.6 (inclusive) shall apply if, in one or a series of in one or a series of related transactions, one or more Sellers propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (**Buyer**), and any person Acting in Concert with the Buyer, acquiring a Controlling Interest in the Company.
- 22.2 Before making a Proposed Transfer, the Sellers shall procure that the Buyer makes an offer (**Offer**) to the other Shareholders to purchase all of the Shares held by them for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous

transaction in the twelve months preceding the date of the Proposed Transfer (**Specified Price**).

22.3 The Offer shall be made by written notice (**Offer Notice**), at least ten Business Days before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out:

22.3.1 the identity of the Buyer;

22.3.2 the Specified Price and other terms and conditions of payment;

22.3.3 the Sale Date; and

22.3.4 the number of Shares proposed to be purchased by the Buyer (**Offer Shares**).

22.4 If the Buyer fails to make the Offer to all of the holders of Shares in the Company in accordance with article 22.2 and article 22.3, the Seller shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer.

22.5 If the Offer is accepted by any Shareholders (**Accepting Shareholders**) in writing within ten Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders.

22.6 The Proposed Transfer is subject to the pre-emption provisions of Article 16, but the purchase of Offer Shares from Accepting Shareholders shall not be subject to those provisions.

23. Purchase of own shares

23.1 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:

23.1.1 £15,000; and

23.1.2 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

24. Poll votes

24.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.

24.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

25. Proxies

- 25.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".
- 25.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

26. Means of communication to be used

- 26.1 Subject to article 26.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- 26.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or
 - 26.1.2 if sent by fax, at the time of transmission; or
 - 26.1.3 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or
 - 26.1.4 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or
 - 26.1.5 if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
 - 26.1.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and
 - 26.1.7 if deemed receipt under the previous paragraphs of this article 26.1 would occur outside business hours (meaning 9.00 am to 5.30 pm Monday to Friday on a day that is not a public holiday in the place of deemed receipt), at 9.00 am on the day when business next starts in the place of deemed receipt. For the purposes of this article, all references to time are to local time in the place of deemed receipt.
- 26.2 To prove service, it is sufficient to prove that:
- 26.2.1 if delivered by hand or by reputable international overnight courier, the notice was delivered to the correct address; or

- 26.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 26.2.3 if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
- 26.2.4 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

27. Indemnity

27.1 Subject to article 27.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

27.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

27.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

27.1.1.2 in relation to the company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

27.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 27.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

27.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

27.3 In this article:

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

27.3.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).

28. Insurance

28.1 The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant officer in respect of any relevant loss.

28.2 In this article:

28.2.1 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

28.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

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