

THE COMPANIES ACT 2006

Company No 07999718

A PRIVATE COMPANY LIMITED BY SHARES



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11/05/2016

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COMPANIES HOUSE

SPECIAL WRITTEN RESOLUTION OF
DOISY & DAM LIMITED
("the Company")

Dated this 23 day of MARCH 2016

We, being the shareholders of the Company entitled to attend and vote at general meetings of the Company hereby pass the following written resolutions of the Company pursuant to s288 of the Companies Act 2006 and hereby agree that the said resolutions shall for all purposes be as valid and effective as if passed at a duly convened meeting of the Company


1. That, the Company adopt new Articles of Association as are set out in the Articles of Association attached to this resolution and signed by way of identification by members for the time being entitled to receive notice of and attend a vote of the Company either in person or by proxy, and together holding not less than seventy-five percent in nominal value of the shares in issue and which are by this resolution adopted as the new Articles of Association in substitution for and to the complete exclusion of the existing Articles of Association of the Company
2. That the 11,941 Ordinary Shares of £0.01 each in the capital of the Company be subdivided into 11,941,000 Ordinary Shares of £0.00001 each in the capital of the Company, with the rights and restrictions set out in the Articles of Association of the Company referred to in the resolution above
3. That the Ordinary Shares of the Company each be renamed as A Ordinary Shares with the rights and obligations of those shares being laid down in the new Articles of Association attached to this resolution
4. That the Company create a new class of shares known as B Investment Shares with the rights and obligations of those shares being laid down in the new Articles of Association attached to this resolution
5. That, subject to the receipt of subscription monies from the relevant investors, in accordance with section 551 of the Companies Act 2006, the Directors be generally and unconditionally authorised to allot up to a maximum of 1,959,177 A Ordinary Shares and 148,111 B Investment Shares in the Company, provided that this authority shall, unless renewed, varied or revoked by the Company, expire 3 months from the date of this resolution. This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006 but is in addition to that confirmed by Article 10.1 of the Articles of Association of the Company. This resolution shall become effective on the receipt of the relevant subscription monies and should any of the investors fail to advance their subscription monies, the relevant shares shall not be allotted to that investor and the number of shares allotted shall be adjusted down accordingly

AGREEMENT

Please read the notes at the end of this document before signifying your agreement to any of the resolutions


The undersigned, as persons entitled to vote on the above resolutions hereby irrevocably agrees to those resolutions as indicated above

Signed by RICHARD WILKINSON


23/03/2016

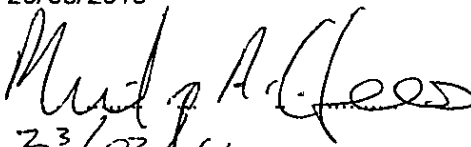
Date

Signed by EDWARD SMITH


23/03/2016

Date

Signed by PHILIP SEERS


23/03/16

Date

Signed by MICHAEL WILKINSON

Date

Signed by JOHN-WILLIAM SMITH

Date

NOTES

1 Once you have indicated your voting intentions please sign and date this document and return it to the Company by attaching a scanned copy of the signed document to an e-mail and sending it to Richard Wilkinson at richard@doisyanddam.com

If there are no resolutions you agree with, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to a resolution, you may not revoke your agreement

3 Where, such date as is 28 days after the date of this resolutions, insufficient agreement has been received for a resolution to pass, such resolution will lapse If you agree to all or any of the resolutions, please ensure that your agreement reaches us before this date

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Date . . .

Signed by EDWARD SMITH . . .


Date . . .

Signed by PHILIP SEERS . . .

Date . . .

Signed by MICHAEL WILKINSON

Date


23/03/2016

Signed by JOHN-WILLIAM SMITH . . .

Date . . .

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23 MARCH 2016

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

DOISY & DAM LIMITED (COMPANY NUMBER: 07999718)

(Adopted by special resolution passed on 23 / 3 / 2016)

INTRODUCTION

1 INTERPRETATION

- 1.1 In these Articles, unless expressly provided otherwise, the following words have the following meanings

A Ordinary Shares means the A Ordinary Shares of £0 00001 each in the capital of the Company and **A Ordinary Shareholder** means a holder of any of those shares,

Act: 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),

Adoption Date: the date of adoption of these Articles,

Articles. the Company's articles of association for the time being in force,

B Investment Shares means the B Investment Shares of £0 00001 each in the capital of the Company and **B Investment Shareholder** means a holder of any of these shares

Board. means the board of Directors,

Business Day any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Companies Acts. has the meaning given to it in the Act,

Company: means Doisy & Dam Limited (Company number 07999718),

connected: has the meaning given in section 252 of the Act,

Controlling Interest. an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,

Deemed Transfer Notice a Transfer Notice which is deemed to have been served by any of the provisions of these Articles,

Directors. the directors of the Company from time to time,

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 Share Scheme: shall have the meaning given in s 1166 of the Act,

Excess Securities has the meaning given in *article 10 4(c)*,

Fair Value has the meaning given in *article 14 2*,

Family Trust: as regards any particular individual Shareholder (or deceased or former individual Shareholder) trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made, or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the Shares in question is for the time being vested in any person other than the particular Shareholder ("**Settlor**") and/or any of the Privileged Relations of that Settlor (and so that for this purpose a person shall be considered to be beneficially interested in a Share if such Share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of any such person or any voting or other rights attaching thereto are exercisable by or as directed by any such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons),

Founders. means Richard Wilkinson and Edward Smith,

Group. the Company and its subsidiaries (if any) from time to time and **Group Company** shall be construed accordingly,

holding company has the meaning given in section 1159 of the Act,

Independent Expert. the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert within 10 Business Days of the expiry of the 20 Business Day period referred to in *article 14 1*, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator),

Lien Enforcement Notice: means a notice in writing which complies with the requirements of *article 20 2(b)*,

Member of the Same Group. as regards any company, a company which is from time to time a holding company or a subsidiary of that company or a subsidiary of any such holding company,

Minimum Transfer Condition has the meaning given in *article 13 2(d)*,

Model Articles: the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (*SI 2008/3229*), as amended prior to the Adoption Date,

Original Shareholder: has the meaning given in *article 12 1*,

Permitted Transfer: a transfer of Shares made in accordance with *article 12*,

Permitted Transferee: in relation to a Shareholder who is an individual, any of his Privileged Relations or the trustee(s) of a Family Trust,

Privileged Relation: in relation to a Shareholder who is an individual Shareholder (or a deceased or former individual Shareholder) means a spouse, civil partner (as defined in the Civil Partnerships Act 2004), child or grandchild (including step or adopted or illegitimate child and their issue),

Relevant Securities: any Shares or other securities convertible into, or carrying the right to subscribe for Shares, issued by the Company after the Adoption Date, other than

(a) the grant of any options under an Employee Share Scheme (and the issue of Shares on the exercise of any such options),

(b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles, and

(c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business,

Restricted Shares: has the meaning given in *article 15 4*,

Sale Shares: has the meaning given in *article 13 2(a)*,

Seller: has the meaning given in *article 13 2*,

Shareholder: a holder for the time being of any Share or Shares,

Shareholder Director has the meaning given in *article 6 1*,

Shares: shares (of any class) in the capital of the Company and Share shall be construed accordingly,

subsidiary. in relation to a holding company wherever incorporated, means a "subsidiary" (as defined in section 1159 of the Act) for the time being and any other company which for the time being is itself a subsidiary (as so defined) of a company which is itself a subsidiary of such holding company,

Transfer Notice. has the meaning given in *article 13 2*, and

Transfer Price: has the meaning given in *article 14 1*

1 2 A reference in these Articles to

(a) an **Article** is a reference to the relevant numbered article of these Articles, and

(b) a **model article** is a reference to the relevant article,

unless expressly provided otherwise

- 1 3 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 (but excluding any statutory modification of them not in force on the Adoption Date)
- 1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa
- 1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
 - (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

2 ADOPTION OF THE MODEL ARTICLES

- 2 1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2 2 Model articles 7, 8, 9(3), 13, 14(1) to (4) (inclusive), 22(1), 24, 26(5), 44(2), 49 and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur"
- 2 4 Model article 29 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)," after the words "the transmittee's name"

DIRECTORS

3 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of Directors shall not be less than two

4 PROCEEDINGS OF DIRECTORS

4 1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with *article 4 2* (subject to *article 4 3*) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes

4 2 A decision of the Directors may be taken by a written resolution where a majority of the Eligible Directors has signed one or more copies of it

4 3 A decision may not be taken in accordance with *article 4 2* if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter

4 4 Meetings of the Directors shall take place at least four times in each year At least 5 Business Days' advance notice in writing (which shall include e-mail) of each such meeting shall be given to each Director

4 5 For the purposes of any meeting (or part of a meeting) held pursuant to *article 8* to authorise a Conflict (as defined in *article 8 1*), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director

4 6 Questions arising at any meeting of the Directors shall be decided by a majority of votes If there is an equality of votes, the chairman of the meeting shall not have a second or casting vote

4 7 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

5. REMOVAL OF DIRECTORS

5 1 Model article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director

- (a) he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,

- (b) a majority of the other Directors resolve that he cease to be a Director, and
- (c) in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company

6 SHAREHOLDER DIRECTORS

- 6.1 Each Shareholder shall from time to time have the right, for so long as they hold at least 25% of the A Ordinary Shares in issue for the time being, to appoint, by notice in writing addressed to the Company, and to maintain in office, one person as a Director (a **Shareholder Director**) and to remove any such Shareholder Director and to appoint a replacement
- 6.2 Any appointment or removal of a Shareholder Director made in accordance with *article 6.1* shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice
- 6.3 Each Shareholder Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that the relevant Shareholder Director shall be appointed as a director of any other Group Company, to the extent specified in such request
- 6.4 The reasonable expenses of each Shareholder Director shall be payable by the Company but no other fees shall be payable to a Shareholder Director by the Company

7. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

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

- (a) 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,
- (b) shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,

- (c) shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any written decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- (d) 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,
- (e) 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
- (f) shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) 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

8.1 The Directors may, in accordance with the requirements set out in this *article 8*, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)

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

- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Directors may determine,
- (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and
- (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted

8.3 Any authorisation of a Conflict under this *article 8* may (whether at the time of giving the authorisation or subsequently)

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,

- (b) 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,
- (c) 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,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Directors think fit,
- (e) 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
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters

- 8 4 Where the Directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Directors in relation to the Conflict
- 8 5 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 8 6 A Director, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under *article 8 1* shall be necessary in respect of any such interest
- 8 7 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 in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

9 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

10 PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES

10.1 Subject to the remaining provisions of this *article* 10, the Directors are generally and unconditionally authorised, for the purposes of section 551 of the Act, to exercise any power of the Company to

- (a) offer or allot,
- (b) grant rights to subscribe for or to convert any security into Shares up to a maximum nominal value of £100, subject to the authority contained in this article (b) expiring on the day five years after the Date of Adoption, and
- (c) otherwise deal in, or dispose of,

any Shares (or any options, warrants, conversion rights and all other rights to acquire or subscribe for Shares) to any person, at any time and subject to any terms and conditions as the Directors think proper

10.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company

10.3 Unless otherwise agreed by special resolution, if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the holders (on the date of the offer) of the A Ordinary Shares (each an **Offeree**) and in the respective proportions that the number of A Ordinary Shares held by each such holder bears to the total number of A Ordinary Shares held by all such holders (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person

10.4 An offer made under *article* 10.3 shall

- (a) be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- (b) remain open for a period of at least 10 Business Days from the date of service of the offer, and

- (c) stipulate that any Offeree who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under *article 10 3* shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe
- 10 5 If, on the expiry of an offer made in accordance with *article 10 3*, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Offerees in accordance with their applications, subject to a maximum of each Offeree's proportionate entitlement
- 10 6 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with *article 10 3* shall be used to satisfy any requests for Excess Securities made pursuant to *article 10 4(c)* If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of A Ordinary Shares held by each such applicant bears to the total number of such A Ordinary Shares held by all such applicants (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him) After those allotments, any Excess Securities shall, subject to *article 10 7*, be offered to any other person(s) as the Directors may determine, at the same price and on the same terms as the offer to the Shareholders
- 10 7 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003
- 11 TRANSFERS OF SHARES GENERAL**
- 11 1 In these Articles, reference to the transfer of a Share includes the transfer, assignment or other disposal of a beneficial or other interest in that Share, or the creation of a trust or encumbrance over that Share, and reference to a Share includes a beneficial or other interest in a Share
- 11 2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles The Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent
- 11 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall be deemed to have immediately served a Transfer Notice in respect of all Shares held by him

11 4 Any transfer of a Share by way of sale which is required to be made under *article 15*, *article 16* or *article 17* shall be deemed to include a warranty that the transferor sells the Share with full title guarantee

11 5 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may require

- (a) any holder (or the legal representatives of a deceased holder), or
- (b) any person named as a transferee in a transfer lodged for registration, or
- (c) such other person as the Directors may reasonably believe to have information relevant to that purpose,

to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose

11 6 If any such information or evidence referred to in *article 11 5* is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, then

- (a) the relevant Shares shall cease to confer on the holder of them any rights
 - (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (iii) to participate in any future issue of Shares issued in respect of those Shares, and
- (b) the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice)

The Directors may reinstate the rights referred to in *article 11 6(a)* at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to *article 11 6(b)*

11 7 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that

- (a) it does not contain a Minimum Transfer Condition, and
 - (b) the Seller wishes to transfer all the Shares held by him (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 Transfer Notice)
- 11 8 Any Transfer Notice (but not an Offer Notice (as defined in *article 16*) or a Drag Along Notice (as defined in *article 17*)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of a Deemed Transfer Notice
- 11 9 Subject to the provisions of this *article 11*, any B Investment Shareholder shall be entitled to transfer or transmit B Investment Shares to such persons and at such prices as they see fit, provided that such transfer is in respect of the B Investment Shareholder's entire holding of B Investment Shares to a single transferee (except with the prior sanction of a resolution of the Board)
- 12. PERMITTED TRANSFERS OF SHARES
- 12 1 An A Ordinary Shareholder (the **Original Shareholder**) may transfer all or any of his or its Shares to a Permitted Transferee
- 12 2 Where Shares are held by the trustee(s) of a Family Trust, the trustee(s) may transfer Shares to
 - (a) the Original Shareholder,
 - (b) any Privileged Relation(s) of the Original Shareholder,
 - (c) subject to *article 12 3*, the trustee(s) of another Family Trust of which the Original Shareholder is the Settlor, or
 - (d) subject to *article 12 3*, to the new (or remaining) trustee(s) upon a change of trustee(s) of a Family Trust,

without any price or other restriction
- 12 3 A transfer of Shares may only be made to the trustee(s) of a Family Trust if the Directors are satisfied
 - (a) with the terms of the trust instrument and, in particular, with the powers of the trustee(s),
 - (b) with the identity of the proposed trustee(s),
 - (c) that the proposed transfer will not result in 50% or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and

- (d) that no costs incurred in connection with the setting up or administration of that Family Trust are to be paid by the Company

12 4 If a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder, the Permitted Transferee (or the transmittee(s) of any such person), shall within 20 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death, divorce or otherwise), if requested by the Original Shareholder, either

- (a) execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
- (b) give a Transfer Notice to the Company in accordance with *article 13*,

failing which a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this *article 12 4*. This *article 12 4* shall not apply to a transmittee of a Permitted Transferee if that transmittee is also a Permitted Transferee of the Original Shareholder, to the extent that such transmittee is legally or beneficially entitled to those Shares

12 5 Any person who becomes a Shareholder by acquiring Shares by virtue of a Permitted Transfer shall not be entitled to transfer any of his Shares in accordance with the provisions of this *article 13* save in respect of transfers to the Original Shareholder and to Permitted Transferees of the Original Shareholder

12 6 Notwithstanding any other provision of this *article 12*, a transfer of any Shares approved by the Directors may be made without any price or other restriction and any such transfer shall be registered by the Directors

13 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

13 1 Except where the provisions of *article 12*, *article 16* or *article 17* apply, any transfer of A Ordinary Shares by an A Ordinary Shareholder shall be subject to the pre-emption rights in this *article 13*

13 2 An A Ordinary Shareholder who wishes to transfer A Ordinary Shares (a **Seller**) shall, before transferring or agreeing to transfer any such shares, give notice in writing (a **Transfer Notice**) to the Company specifying

- (a) subject to *article 11 7(b)*, the number of A Ordinary Shares he wishes to transfer (**Sale Shares**),
- (b) the name of the proposed transferee, if any,
- (c) the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**), and

- (d) subject to *article 11 7(a)*, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**)

13 3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may not be withdrawn.

13 4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.

13 5 As soon as practicable following the later of

- (a) receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served), and
- (b) the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with *article 13 3*) offer the Sale Shares for sale in the manner set out in the remaining provisions of this *article 13* at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered.

13 6 The Directors shall offer the Sale Shares to the holders of the A Ordinary Shares, inviting them to apply in writing within the period from the date of the offer to the date 10 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.

13 7 If

- (a) at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each holder of A Ordinary Shares who has applied for Sale Shares in the proportion which his existing holding of A Ordinary Shares bears to the total number of A Ordinary Shares held by all such A Ordinary Shareholders (other than the Seller). 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 shall be determined by the Directors). No allocation shall be made to an A Ordinary Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,
- (b) not all Sale Shares are allocated following allocations in accordance with *article 13 7(a)*, but there are applications for Sale Shares that have not

been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in *article 13 7(a)*. The procedure set out in this *article 13 7(b)* 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

- (c) at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Directors shall allocate the Sale Shares to the A Ordinary Shareholders in accordance with their applications. The balance (the **Surplus Shares**) may, subject to *article 13 8* be offered to any other person in accordance with *article 13 12*.

13 8 Where the Transfer Notice contains a Minimum Transfer Condition

- (a) any allocation made under *article 13 7* shall be conditional on the fulfilment of the Minimum Transfer Condition, and
- (b) if the total number of Sale Shares applied for under *article 13 7* is less than the number of Sale Shares subject to the Minimum Transfer Condition, the Board shall notify the Seller and all those A Ordinary Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect.

13 9 Where either

- (a) the Transfer Notice does not contain a Minimum Transfer Condition, or
- (b) the Transfer Notice contains a Minimum Transfer Condition and that Minimum Transfer Condition has been fulfilled,

the Directors shall give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and each A Ordinary 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 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).

13 10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

13 11 If the Seller fails to comply with *article 13 10*

- (a) any Director or some other person nominated by a resolution of the Directors may, as agent on behalf of the Seller

- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
 - (ii) 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
 - (iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and
- (b) 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 Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those Shares) to the Company

13 12 Where a Transfer Notice lapses pursuant to *article* 13 8(b) or an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 20 Business Days following the date of lapse of the Transfer Notice, or the date of service of the Allocation Notice as the case may be, transfer the Sale Shares (in the case of a lapsed offer) or the Surplus Shares (as the case may be) to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this *article* 13 12 shall continue to be subject to any Minimum Transfer Condition

14 VALUATION

14 1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share

14 2 The Fair Value shall be the price per Sale Share determined by the Independent Expert on the following bases and assumptions

- (a) valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served),
- (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,

- (c) that the Sale Shares are capable of being transferred without restriction,
 - (d) valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent, and
 - (e) reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 14 3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit
- 14 4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose
- 14 5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision
- 14 6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 14 7 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller
- 14 8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert directs unless
 - (a) the Seller withdraws the relevant Transfer Notice in accordance with *article 13 3*, or
 - (b) in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost

15 COMPULSORY TRANSFERS

- 15.1 A person entitled to a Share in consequence of the death or bankruptcy of a Shareholder (or equivalent procedure in any jurisdiction outside England and Wales) shall be deemed to have given a Transfer Notice in respect of that Share at such time as the Directors may determine
- 15.2 If a Shareholder which is a body corporate either suffers or resolves to appoint a liquidator, administrator or administrative receiver over it, or any material part of its assets (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction) or suffers or takes any equivalent action in any jurisdiction outside England and Wales, that Shareholder shall be deemed to have given a Transfer Notice in respect of all Shares held by it at such time as the Directors may determine
- 15.3 If there is a change in control (as 'control' is defined in section 1124 of the Corporation Tax Act 2010) of any Shareholder which is a company, it shall be bound at any time, if and when required in writing by the Directors to do so, to give (or procure the giving in the case of a nominee) a Transfer Notice in respect of all the Shares registered in its name (or the name of its nominee(s))
- 15.4 Forthwith upon a Transfer Notice being deemed to be served under *article 15* the Shares subject to the relevant Deemed Transfer Notice (**Restricted Shares**) shall cease to confer on the holder of them any rights
- (a) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
 - (b) to receive dividends or other distributions otherwise attaching to those Shares, or
 - (c) to participate in any future issue of Shares issued in respect of those Shares

The Directors may reinstate the rights referred to in *article 15.4* at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to *article 15*

16 MANDATORY OFFER ON CHANGE OF CONTROL

- 16.1 In the event that a proposed transfer of Shares (other than a transfer of Shares made pursuant to *article 12* or *article 15*, but after the operation of the pre-emption procedure set out in *article 13*), whether made as one or as a series of transactions (a **Proposed Transfer**) would, if completed, result in any person other than an existing Shareholder (the **Buyer**), together with any person acting in concert with

the Buyer, acquiring a Controlling Interest, the remaining provisions of this *article 16* shall apply

- 16.2 The Seller shall procure that, prior to the completion of the Proposed Transfer, the Buyer shall make an offer (the **Offer**) to each Shareholder on the date of the Offer other than any holder(s) of Restricted Shares, to buy all of the Shares held by such Shareholders on the date of the Offer for a consideration in cash per Share (the **Offer Price**) which is equal to the highest price per Share offered, paid or to be paid by the Buyer, or any person acting in concert with the Buyer, for any Shares in connection with the Proposed Transfer
- 16.3 The Offer shall be made by notice in writing (an **Offer Notice**) addressed to each Shareholder on the date of the Offer at least 10 Business Days (the **Offer Period**) before the date fixed for completion of the Proposed Transfer (the **Sale Date**) The Offer Notice shall specify
- (a) the identity of the Buyer (and any person(s) acting in concert with the Buyer),
 - (b) the Offer Price and any other terms and conditions of the Offer,
 - (c) the Sale Date, and
 - (d) the number of Shares which would be held by the Buyer (and persons acting in concert with the Buyer) on completion of the Proposed Transfer
- 16.4 The completion of the Proposed Transfer shall be conditional in all respects on
- (a) the making of an Offer in accordance with this *article 16*, and
 - (b) the completion of the transfer of any Shares by any Shareholder (each an **Accepting Shareholder**) who accepts the Offer within the Offer Period,
- and the Directors shall refuse to register any Proposed Transfer made in breach of this *article 16.4*
- 16.5 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer made under this *article 16* shall not be, subject to the pre-emption provisions of *article 13*

17 DRAG ALONG

- 17.1 If the holders of 70% of the A Ordinary Shares in issue for the time being (the **Selling Shareholders**) wish to transfer all of their interest in their A Ordinary Shares (**Sellers' Shares**) to a bona fide arm's-length purchaser (**Proposed Buyer**), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in their Shares with full title guarantee to the Proposed

Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this *article 17*

- 17.2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify
- (a) that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this *article 17*,
 - (b) the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),
 - (c) the consideration payable for the Called Shares which shall be the same price per Share as the price to be paid on each Share held by the Selling Shareholders,
 - (d) the basis upon which the consideration payable for the Called Shares will be satisfied, which shall be the same basis upon which the consideration payable for the Selling Shareholders' Shares will be satisfied (both in terms of the timing of payment and whether any part of the consideration is to be satisfied other than in cash),
 - (e) the proposed date of completion for the transfer of the Called Shares
- 17.3 An engrossment of the sale and purchase agreement setting out all the terms upon which the Called Shares and the Sellers' Shares are to be sold to the Proposed Buyer (**Sale and Purchase Agreement**), shall be sent to the Called Shareholders, with the Drag Along Notice
- 17.4 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 20 Business Days of serving the Drag Along Notice. The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice
- 17.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this *article 17*
- 17.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares
- 17.7 Within 10 Business Days of the Selling Shareholders serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver

- (a) stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company, and
 - (b) the Sale and Purchase Agreement duly executed by them
- 17 8 On completion of the transfer of the Called Shares to the Proposed Buyer the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due on completion of the Sale and Purchase Agreement, to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due shall be a good discharge to the Proposed Buyer. The Company shall hold such amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 17 9 In the event that the Drag Along Notice lapses, in accordance with *article 17 4*, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this *article 17* in respect of their Shares.
- 17 10 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)), or the Sale and Purchase Agreement, in accordance with the provisions of *article 17 7*, the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholders to be his agent to execute and deliver all necessary transfers and the Sale and Purchase Agreement on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this *article 17*.
- 17 11 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this *article 18* shall apply *mutatis mutandis* to the New Shareholder, save that completion of the sale of such Shares shall take place

forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares

- 17 12 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of *article 17*
- 17 13 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice

DECISION-MAKING BY SHAREHOLDERS

18 VOTING

- 18 1 Subject to any other provisions in these Articles concerning voting rights, each A Ordinary Share in the Company shall carry the right to receive notice of and to attend, speak and vote at all general meetings of the Company. The B Investment Shares shall have no voting rights attached to them, and holders of B investment Shares shall not have the right to receive notices of any general meetings, or the right to attend at such general meetings
- 18 2 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
- 18 3 Model article 44(3) 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 model article
- 18 4 Model article 45(1) shall be amended by
- (a) the deletion of model article 45(1)(d) and its replacement 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", and
 - (b) 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 model article

19 RESERVED MATTERS

19.1 The following actions of the Company shall require the consent of the Founders

- (a) Permit any alteration to its share capital (including any increase thereof) or the rights attaching to its shares,
- (b) Create, allot, issue, buy-back or redeem any share or loan capital or grant or agree to grant any options (including pursuant to a duly approved Employee Share Scheme) or warrants for the issue of any share or loan capital or issue any securities convertible into shares, or establish any employee share or share option incentive scheme,
- (c) Permit any amendment to its memorandum of association or the Articles,
- (d) Pay any dividend or make any other distribution (as defined under sections 209, 418 and 419 of the Income and Corporation Taxes Act 1988),
- (e) Subscribe or otherwise acquire, or dispose of any shares in the capital of any other company,
- (f) Acquire or dispose of the whole or part of the undertaking of any other person or dispose of the whole or part of the undertaking of the Company or merge the Company or any part of its business with any other person or propose to do so,
- (g) Cease to carry on its business or take any step to wind up the Company, save where it is insolvent (within the meaning of section 123 of the Insolvency Act 1986),
- (h) Take any step to place the Company into administration (whether by the filing of an administration application, a notice of intention to appoint an administrator or a notice of appointment), or to enter into any arrangement, scheme, moratorium, compromise or composition with its creditors (whether under Part I of the Insolvency Act 1986 or otherwise) or to apply for an interim order under Part 1 of the Insolvency Act 1986, or to invite the appointment of a receiver or administrative receiver over all or any part of the Company's assets or undertaking,
- (i) Enter into or give or permit or suffer to subsist any guarantee of or indemnity or contract of suretyship for or otherwise commit itself in respect of the due payment of money or the performance of any contract, engagement or obligation of any other person or body,
- (j) Make what is in the reasonable opinion of the Board any material departure from, or material amendment to, the business plan then in force,
- (k) Incur any material capital expenditure amounting to a capital commitment of more than £50,000 (including obligations under hire-purchase and leasing arrangements) or dispose of any capital asset other than as set out in the relevant business plan (and the approval of the Board will be

required before the Company incurs any capital expenditure of more than £25,000),

- (l) Make any material change to the nature of the business of the Company or the jurisdiction where it is managed and controlled,
- (m) Do any act or thing outside the A Ordinary course of the business carried on by it,
- (n) Borrow monies or accept credit (other than normal trade credit) which when aggregated with all other borrowings would exceed £50,000,
- (o) Make any loan or advance or give any credit, other than in the A Ordinary course of business,
- (p) Vary the material terms of employment and service of any director or company secretary of the Company, increase or vary the salary or other benefits of any such officer by greater than 25 per cent in any one year, or appoint or dismiss any such officer,
- (q) Mortgage or charge or permit the creation of or suffer to subsist any mortgage or fixed or floating charge, lien (other than a lien arising by operation of law) or other Encumbrance over the whole or any part of its undertaking, property or assets,
- (r) Save in respect of Shareholder Directors (as defined in the Articles) permit the appointment of any person as a director of or remove any Director,
- (s) Conduct any litigation material to the Company, save for the collection of debts arising in the A Ordinary course of the business carried on by the Company or any application for an interim injunction or other application or action (including interim defence) which is urgently required in the best interests of the Company in circumstances in which it is not reasonably practicable to obtain prior consent as aforesaid,
- (t) Take or agree to take any leasehold interest in or licence over any real property which involves total rental payments over its term of greater than £75,000, or
- (u) Other than where expressly contemplated by this Agreement enter into or vary any transaction or arrangement with, or for the benefit of any of its directors or shareholders or any other person who is a "connected person" with any of its directors or shareholders

19 2 Subject to article 19 1(d), no dividend shall be payable in respect of any Shares unless and until the amount of such dividend when aggregated with all dividends then payable to the holder of such Shares exceeds the sum of £50 and all the dividends declared but not paid pursuant to this article 19 2 shall be held by the Company as dedicated retained dividends on trust for such holder of Shares and shall be payable to such persons either upon the winding up of the Company or when the cumulative value of such withheld dividends exceeds £50

20. COMPANY'S LIEN

20.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

20.2 Enforcement of the Company's Lien

- (a) Subject to the provisions of this *article 20.2*, if
 - (i) a Lien Enforcement Notice has been given in respect of a Share, and
 - (ii) the person to whom the notice was given has failed to comply with it,the Company may sell that Share in such manner as the Directors decide
- (b) A Lien Enforcement Notice
 - (i) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
 - (ii) must specify the Share concerned,
 - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
 - (iv) must be addressed either to the holder of the Share or to a transmittee of that holder, and
 - (v) must state the Company's intention to sell the Share if the notice is not complied with
- (c) Where Shares are sold under this *article 20.2*
 - (i) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
 - (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- (d) The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
 - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and

- (ii) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice
- (e) A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date
 - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
 - (ii) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share

ADMINISTRATIVE ARRANGEMENTS

21 NOTICES

- 21.1 Subject to *article 24*, any notice, document or other information shall be deemed served on or delivered to the intended recipient
- (a) if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
 - (b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - (c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
 - (d) if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this *article 21.1*, no account shall be taken of any part of a day that is not a working day

- 21 2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

22 INDEMNITY AND INSURANCE

- 22 1 Subject to *article 22 2*, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

- (a) 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 in the actual or purported execution and/or discharge of his duties, or in relation thereto and 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
- (b) 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 22 1* and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

- 22 2 This *article 22* 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

- 22 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

- 22 4 In this *article 22*

- (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 (or other Group Company) or any pension fund or Employee Share Scheme of the Company (or other Group Company), and
- (b) **Relevant Officer** means any director or other officer or former director or other officer of any Group Company, 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

23 DATA PROTECTION

- 23.1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **Recipient**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually.
- 23.2 The personal data that may be processed for such purposes under this *article 23* shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to
- (a) a Member of the Same Group as the Recipient (each a **Recipient Group Company**),
 - (b) employees, directors and professional advisers of that Recipient or any Recipient Group Company, and
 - (c) funds managed by any of the Recipient Group Companies
- 23.3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so.

24 ELECTRONIC COMMUNICATION

- 24.1 Without prejudice to Article 48 of the Model Articles, notices and any other communications sent or supplied, by or to Shareholders or Directors under these Articles may be sent or supplied by electronic means as defined in section 1168 of the Act (including via a website, chatroom, extranet, intranet, blog, online social network or forum or other similar mechanism duly notified to such Shareholder or Director or by electronic mail to any email address supplied to the Company, its officers or agents in writing by such Shareholders or Directors).
- 24.2 For the purposes of *article 24.1* above, the Company can assume that any email addresses supplied to the Company, its officers or agents by Shareholders or Directors are up to date and current, and it is the sole responsibility of each Shareholder and Director to update the Company as to any changes in their email addresses, and to ensure that the Company has and uses the correct email address. In this regard, all Shareholders and Directors agree that the Company has no responsibility to any Shareholder or Director who fails to receive any notice or other

communication as a result of the Shareholder or Director failing to comply with this *article 24 2*

- 24 3 When any notice or communication is sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, an email shall be sent to Shareholders to inform them of the existence of the notice or communication made on such website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism in accordance with Schedule 5 of the Act
- 24 4 Any notice or communication sent by means of a website, chatroom, internet, intranet, extranet, blog, online social network or forum, or other similar mechanism, shall be deemed to have been served on the intended recipient 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 any notice or communication sent by electronic mail or fax shall be deemed to be delivered at the time it was sent and shall be deemed to have been received 24 hours after its transmission
- 24 5 The Company's obligation to send or supply any notice or communication to Shareholders or Directors is satisfied when the Company transmits an electronic message and the Company is not responsible for a failure in transmission beyond its control
- 24 6 Each Shareholder and Director shall, for the purposes of paragraph 6 and paragraph 9 of Schedule 5 of the Act, be deemed to have agreed to accept notices or communications from the Company in electronic form, and to them being made available on a website, by providing a copy of his email address and expressly consenting to that email address being used for the purpose of receiving notices or communications from the Company in electronic form, and to the Company making information available on a website

25 SHARE CERTIFICATES

- 25 1 The conditions of issue of any Shares shall not require the Company to issue any Share certificate although the Board may resolve to do so
- 25 2 The Company shall not be bound to issue more than one certificate in respect of Shares held jointly by two or more persons. Delivery of a certificate to the person first named in the register shall be sufficient delivery to all joint holders
- 25 3 If the Board resolves to issue a Share certificate it may be issued in electronic format, under seal (by affixing the seal to or printing the seal or a representation of it on the certificate) or signed by at least two Directors or by at least one Director

and the Secretary. Such certificate shall specify the number and class of the Shares in respect of which it is issued and the amount or respective amounts paid up on it. The Board may by resolution decide, either generally or in any particular case or cases, that any signatures on any Share certificates need not be autographic but may be applied to the certificates by some mechanical or other means or may be printed on them or that the certificates need not be issued under seal or signed by any person.

- 25.4 Every Share certificate sent in accordance with these Articles will be sent at the risk of the member or other person entitled to the certificate. The Company will not be responsible for any Share certificate lost or delayed in the course of delivery.