

Company No: 09597211

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION OF THE SHAREHOLDERS  
OF  
GREYSPACE FLOORING LTD  
(Company)**

Circulation Date: 01 OCTOBER 2015

We hereby certify that  
this is a true copy and  
has been examined against the  
original in our possession

Wake Smith  
Solicitors

Dated 5/10/2015

Wake Smith

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the directors of the Company for the time being propose that the following resolution be passed as a special resolution of the Company:

**Special Resolution**


That the draft regulations, a copy of which is attached to this written resolution, be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company.

*Please read the notes at the end of this document before signifying your agreement to the Special Resolution*

The undersigned being all of the members of the Company for the time being entitled to vote on the Special Resolution on the Circulation Date hereby irrevocably agrees to the Special Resolution.

  
Carl John Betts

Dated: 01/10/2015

  
Mark Roebuck

Dated: 01/10/2015

**NOTES**

1. If you agree with the Special Resolution, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company at its registered office address.
2. If you do not agree to the Special Resolution, you do not need to do anything you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Special Resolution you may not revoke your agreement.
4. Unless, within 28 days of the Circulation Date, sufficient agreement has been received for the Special Resolution to pass, it will lapse. If you agree to the Special Resolution, please ensure that your agreement reaches us before or during this date.

TUESDAY



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COMPANIES HOUSE

Company No. 09597211

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**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**GREYSPACE FLOORING LTD**  
**(Company)**

(adopted by special resolution passed on 01 OCTOBER 2015)

**INTRODUCTION**

**1. INTERPRETATION**

1.1 In these Articles, the following words have the following meanings:

**Act:** the Companies Act 2006;

**Articles:** the Company's articles of association from time to time in force;

**Business Day:** a day other than a Saturday, Sunday or public holiday in England when banks in London are open for business;

**Conflict:** has the meaning given in article 7.1;

**Deemed Transfer Notice:** a Transfer Notice that is deemed to have been served under any provision of these Articles;

**Departing Employee:** an Employee who ceases to be a director or employee of, or consultant to, the Company.

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

**Employee:** an individual who is, or has been, a director and/or an employee of, or who does provide or has provided consultancy services to, the Company

**Fair Value:** in relation to shares, as determined in accordance with article 14;

**Interested Director:** has the meaning given in article 7.1;

**Model Articles:** the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "Model Article" is a reference to that article of the Model Articles;

**Proposed Sale Price:** has the meaning given in article 12.1;

**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.

**Sale Shares:** has the meaning given in article 12.1;

**Seller:** has the meaning given in article 12.1;

**Shareholders Agreement:** the shareholders' agreement dated on or around the Adoption Date between, amongst others, the Company and the Shareholders (as the same may have been varied, supplemented, adhered to or superseded in accordance with its terms from time to time)

**shares:** ordinary shares of £1 each in the capital of the Company.

**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 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;

(c) where the Employee concerned is a director but not an employee, the date on which his service agreement (or other terms of appointment) with the relevant Group Company is terminated; or

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

(e) where the Directors have served notice on a Shareholder notifying such holder of a breach of the Shareholders Agreement, the date on which such notice is served, or where such breach is capable of remedy and the holder of Shares fails to remedy such breach, the date on which the notice period to remedy the breach expires

**Transfer Notice:** has the meaning given in article 12 1;

**Transfer Price:** has the meaning given in article 12.4;

**Valuers:** the accountants 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 20 Business Days of the expiry of the 20 Business Day period referred to in article 12.4, 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),

**Writing or written:** the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise, save that, for the purposes of article 12 and article 13 "writing" or "written" shall not include the sending or supply of notices, documents or information in electronic form;

- 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 those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.
- 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 it is in force on the date when these Articles become binding on the Company.
- 1.6 A reference to a statute or statutory provision shall include all subordinate legislation made as at the date on which these Articles become binding on the Company under that statute or statutory provision
- 1.7 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them

## **2. ADOPTION OF THE MODEL ARTICLES**

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by 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 6, 7, 8, 9(1), 12 to 14 (inclusive), 26(5), 38, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.4 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## **DIRECTORS**

### **3. DIRECTORS' MEETINGS**

- 3.1 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.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit.
- 3.3 All decisions made at any meeting of the directors shall be made only by resolution, and no such resolution shall be passed unless more votes are cast for it than against it.
- 3.4 Each director has one vote at a meeting of directors.
- 3.5 If at any time before or at any meeting of the directors all Directors participating or all Directors participating should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

#### **4. UNANIMOUS DECISIONS OF DIRECTORS**

- 4.1 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.
- 4.2 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.
- 4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

#### **5. CALLING A DIRECTORS' MEETING**

- 5.1 Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by the directors) to each director.
- 5.2 Notice of any directors' meeting must be accompanied by:
  - (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
  - (b) copies of any papers to be discussed at the meeting.
- 5.3 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless all the directors present at the meeting agree in writing.

#### **6. QUORUM FOR DIRECTORS' MEETINGS**

- 6.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two Eligible Directors.
- 6.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 6.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for 5 Business Days at the same time and place.

#### **7. DIRECTORS' SITUATIONAL CONFLICTS OF INTERESTS**

- 7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this article 7 will be effective only if.
  - (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 or any other 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 and any other interested director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently).
- (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.
- 7.4 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.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **8. DIRECTORS' TRANSACTIONAL CONFLICTS OF INTEREST**

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a director who is in any way, whether directly or indirectly, interested in an existing or proposed 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 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 participate in any unanimous 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 (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.

#### **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 a form that enables the Company to retain a copy of such decisions.

#### **SHARES**

#### **10. PRE-EMPTION RIGHTS ON THE ISSUE OF FURTHER SHARES**

- 10.1 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.
- 10.2 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 Shares (each an **Offeree**) on a pari passu basis (as if they constituted Shares of the same class) and in the respective proportions that the number of Shares held by each such holder bears to the total number of 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.
- 10.3 An offer made under article 10.2 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 20 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 10.2 shall, in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe.
- 10.4 If, on the expiry of an offer made in accordance with article 10.2, 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.
- 10.5 Any Relevant Securities not accepted by Offerees pursuant to an offer made in accordance with article 10.2 shall be used to satisfy any requests for Excess Securities made pursuant to article 10.3(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 Shares held by each such applicant bears to the total number of such Shares held by all 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 10.5, 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.
- 11. SHARE TRANSFERS: 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 shareholder shall transfer any share except:
  - (a) a shareholder may transfer his shares in the Company for cash in accordance with the procedure set out in article 12; or
  - (b) in accordance with article 13.
- 11.3 Subject to article 11.4, the directors must register any duly stamped or certified exempt transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 11.4 The directors may, as a condition to the registration of any transfer of shares in the Company require the transferee to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of the Shareholders Agreement in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 11.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee.
- 11.5 Any Transfer Notice served in respect of the transfer of any shares which has not completed before the date of service of a Deemed Transfer Notice shall automatically be revoked by the service of the Deemed Transfer Notice.

**12. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

- 12.1 Except where the provisions of article 13 apply, a shareholder (**Seller**) wishing to transfer any of his shares (**Sale Shares**) must give notice in writing (**Transfer Notice**) to the Company giving details of the proposed transfer including:
- (a) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
  - (b) the price at which he wishes to sell the Sale Shares (**Proposed Sale Price**).
- 12.2 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.
- 12.3 Once given, a Transfer Notice may only be withdrawn by the Seller 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. In such case, the Seller may, within 5 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Except as provided in this article, a Deemed Transfer Notice may not be withdrawn.
- 12.4 The Transfer Price for each Sale Share the subject of a Transfer Notice shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Seller and the directors or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice, the Fair Value of each Sale Share determined in accordance with article 14.
- 12.5 As soon as practicable following the determination of the Transfer Price, the directors shall (unless the Transfer Notice is withdrawn in accordance with article 12.3) offer the Sale Shares for sale first to the shareholders (other than the Seller), inviting them to apply in writing within the period from the date of the offer to the date 30 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.
- 12.6 If at the end of the Offer Period:
- (a) the total 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 shareholder 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 by 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 among the shareholders shall be determined by the directors) 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;
  - (b) not all Sale Shares are allocated following allocations in accordance with article 12.6(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 12.6(a). The procedure set out in this article 12.6(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) 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 shareholders in accordance with their applications. The balance (**Surplus Shares**) may, with the prior written consent of the directors, be transferred to the buyer identified in the Transfer Notice (if any) in accordance with article 12.10.
- 12.7 The directors shall, when no further offers or allocations are required to be made under articles 12.5 or article 12.6, give notice in writing of the allocations of Sale Shares (**Allocation Notice**) to the Seller and 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 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice).
- 12.8 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 Applicant may reasonably require to show good title to the Sale Shares, or to enable him to be registered as the holder of the Sale Shares.
- 12.9 If the Seller fails to comply with article 12.8:
  - (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 transfers being duly stamped) enter the Applicants in the register of members as the holders of the Sale 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 Sale Shares or an indemnity, in a form reasonably satisfactory to the directors, 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.
- 12.10 Where an Allocation Notice does not relate to all the Sale Shares, then the Seller may, at any time during the 45 Business Days following the date of service of the Allocation Notice, transfer the Surplus Shares (subject to article 12.7(c)) to the buyer identified in the Transfer Notice (if any) at a price at least equal to the Transfer Price. The Seller shall not be permitted to transfer any such Surplus Shares to a third party buyer if that buyer was not identified in the Transfer Notice.

### **13. COMPULSORY TRANSFERS**

- 13.1 A shareholder is deemed to have served a Transfer Notice under article 12.1 immediately before any of the following events:

- (a) the death of the shareholder;
- (b) an order being made for the shareholder's bankruptcy; or
- (c) an arrangement or composition with any of the shareholder's creditors being made; or
- (d) the shareholder convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (e) the shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (f) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all or any material part of the shareholder's assets; or
- (g) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- (h) the shareholder lacking capacity (under section 2 of the Mental Capacity Act 2005) to make decisions in relation to the Company or his shareholding, or
- (i) the shareholder:
  - (i) (being an Employee Shareholder) becoming a Departing Employee Shareholder by reason of gross misconduct ; or
  - (ii) commits a material or persistent breach of the Shareholders' Agreement which if capable of remedy has not been so remedied within [20] Business Days of the directors requiring such remedy

and for the purpose of this article 13.1(i) the Transfer Notice is deemed to have been served on the relevant Termination Date.

13.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that.

- (a) the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Sale Shares and, subject to article 13.2(b), the Transfer Price for the Sale Shares shall be the aggregate Fair Value of those shares, determined by the Valuers in accordance with article 14;
- (b) if the Seller is deemed to have given a Transfer Notice as a result of article 13.1(i), the Transfer Price shall be restricted to a maximum of the lower of the aggregate subscription price paid in respect of the Sale Shares, including any share premium, and the aggregate Fair Value of such Sale Shares,

13.3 A Deemed Transfer Notice under article 13.1(i) shall automatically revoke:

- (a) a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 13.1(i); and
- (b) a Deemed Transfer Notice deemed to be served by the relevant shareholder under any of the events set out in article 13.1(a) to article 13.1(h) (inclusive) before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under article 13.1(i).

#### **14. VALUATION**

- 14.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and notify the Company and the Seller in writing of their determination.
- 14.2 The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Sale Shares;
  - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
  - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
  - (d) the Sale Shares are sold free of all encumbrances; and
  - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value
- 14.3 The shareholders are entitled to make submissions to the Valuers and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 14.4 To the extent not provided for by this article 14, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate.
- 14.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders (in the absence of manifest error or fraud).
- 14.6 The cost of obtaining the Valuers' valuation shall be borne by the Company and the Seller equally or in such other proportions as the Valuers direct unless the Seller withdraws the relevant Transfer Notice in accordance with article 12.3, in which case the Seller shall bear the cost.

#### **DECISION MAKING BY SHAREHOLDERS**

##### **15. QUORUM FOR GENERAL MEETINGS**

- 15.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, each of whom shall be an Original Shareholder or his proxy.
- 15.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

##### **16. VOTING**

At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of

which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder.

**17. POLL VOTES**

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

**18. PROXIES**

- 18.1 Model Article 45(1)(d) 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 general meeting (or adjourned meeting) to which they relate".
- 18.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

**ADMINISTRATIVE ARRANGEMENTS**

**19. MEANS OF COMMUNICATION TO BE USED**

- 19.1 Subject to article 19.3, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:
- (a) if delivered by hand, on signature of a delivery receipt; or
  - (b) 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
  - (c) if sent or supplied by e-mail, one hour after the notice, document or information was sent or supplied; or
  - (d) if deemed receipt under the previous paragraphs of this article 19.1 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.
- 19.2 To prove service, it is sufficient to prove that:
- (a) if delivered by hand the notice was delivered to the correct address, or
  - (b) if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
  - (c) if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient

- 19.3 Any notice, document or other information served on, or delivered to, an intended recipient under article 12 or article 13 (as the case may be) may not be served or delivered in electronic form.

**20. INDEMNITY AND INSURANCE**

- 20.1 Subject to article 20.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company 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 to them 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 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 20.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 20.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the Act or by any other provision of law and any such indemnity is limited accordingly.

- 20.3 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.

- 20.4 In this article:

- (a) **relevant officer** means any director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- (b) **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 any pension fund of the Company.