

Dated 28 October 2022

# THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WILLCOX GROUP HOLDINGS LIMITED

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**ARTICLES OF ASSOCIATION**  
**OF**  
**WILLCOX GROUP HOLDINGS LIMITED**

(Adopted by special resolution passed on *28 October* 2022)

**INTRODUCTION**

**1 INTERPRETATION**

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

**Act** the Companies Act 2006.

**Acting in Concert** has the meaning given in the City Code on Takeovers and Mergers issued by The Panel and Mergers from time to time.

**A Director** a director (or their properly appointed representative) appointed by a holder of A Shares in accordance with Article 10.

**Allocation Notice** has the meaning given in Article 23.10.2.

**Applicant** has the meaning given in Article 23.10.2.

**A Shares** the ordinary shares of £1.00 each in the capital of the Company designated as A Shares.

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

**Available Profits** means the profits available for distribution within the meaning of the Companies Act .

**Bad Leaver** any Employee who becomes a Departing Employee but is not a Good Leaver.

**B Director** a director (or their properly appointed representative) appointed by a holder of B Shares in accordance with Article 10.

**B Shares:** the ordinary shares of £1.00 each in the capital of the Company designated as B Shares.

**Board** means the board of Directors of the Company.

**Business Day** a day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business.

**C Director** a director (or their properly appointed representative) appointed by a holder of C Shares in accordance with Article 10.

**Control** has the meaning given in section 1124 of the CTA 2010, and the expression change of Control shall be construed accordingly.

**Conflict** has the meaning given in Article 7.1.

**Connected Persons** means persons who are so connected within the meaning of sections 1122 and 1123 of the Corporation Tax Act 2010.

**Consideration** has the meaning given in Article 23.10.2.

**C Shares:** the ordinary shares of £1.00 each in the capital of the Company designated as C Shares.

**D Director** a director (or their properly appointed representative) appointed by a holder of D Shares in accordance with Article 10.

**Departing Employee** any Employee who ceases to be a director and/or employee of the Company.

**D Shares:** the ordinary shares of £1.00 each in the capital of the Company designated as D Shares.

**Directors** means the directors for the time being of the Company.

**Disposal** means the disposal by the Company of all, or a substantial part of, its business and assets.

**Drag Along Notice** has the meaning given in Article 26.3.

**Drag Along Option** has the meaning given in Article 26.2.

**Dragging Shareholders** has the meaning given in Article 26.1.

**Dragged Shares** has the meaning given in Article 26.3(a).

**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).

**Equity Shares** means the A Shares, B Shares, C Shares and D Shares.

**Equity Shareholders** means the holders of the Equity Shares and each is an **Equity Shareholder**.

**Employee** a holder of C Shares or D Shares who is, or has been, a director and/or employee of the Company.

**Exit** shall mean a Sale or a Disposal.

**Fair Value** in relation to a Share, as determined in accordance with Article 27.

**Good Leaver** an Employee who becomes a Departing Employee:

- a) by reason of retirement, or permanent incapacity through ill-health;
- b) by reason of death;
- c) by reason of redundancy (as defined in the Employment Rights Act 1996);
- d) by reason of a dismissal by the Company which is determined, by an employment tribunal or at a court of competent jurisdiction from which there is no right to appeal, to be wrongful; or
- e) in circumstances where the directors determine that a person is not a Bad Leaver.

**Initial Surplus Shares** has the meaning given in Article 23.9.3.

**Issue Price** means the price at which the relevant Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon.

**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.

**New Shareholder** has the meaning given in Article 26.11.

**Offer Period** has the meaning given in Article 23.7.

**Preference Dividend** means the dividend payable pursuant to Article 16.

**Preference Shares** means the cumulative redeemable preference shares of £1.00 each in the capital of the Company.

**Proposed Drag Buyer** has the meaning given in Article 26.2.

**Proposed Tag Transfer** has the meaning given in Article 25.1.

**Remaining Shareholders** has the meaning given in Article 25.2.

**Re-organisation** any return of capital, issue of Shares or other securities of the Company by way of capitalisation of profits or reserves (other than a capitalisation issue in substitution for, or as an alternative to, a cash dividend which is made available to the holders of Preference Shares), any consolidation, sub-division or re-classification or the cancellation of any shares following a repurchase or redemption of Shares (other than Preference Shares), or any variation in the Issue Price or conversion rate applicable to any other outstanding Shares of the Company.

**Sale** means the sale of the whole of the issued share capital of the Company to a single buyer or to one or more buyers as part of a single transaction.

**Sale Price** has the meaning given in Article 23.

**Sale Proceeds** means the total aggregate consideration payable (including any deferred and/or contingent consideration) whether in cash or otherwise to those Shareholders selling Shares under a Sale (less any fees and expenses reasonably and properly payable by the selling Shareholders under or in respect of that Sale).

**Sale Shares** has the meaning given in Article 23.2.

**Seller** has the meaning given in Article 23.2(b)

**Selling Party** has the meaning given in Article 25.1.

**Shareholder** means any holder for the time being of Shares

**Shares** means shares in the issued capital of the Company regardless of the class of share.

**Share Transfer Provisions** means Articles 22 to 26 (inclusive).

**Tag Accepting Shareholder** has the meaning given in Article 25.4.

**Tag Buyer** has the meaning given in Article 25.2.

**Tag Offer** has the meaning given in Article 25.2.

**Tag Offer Notice** has the meaning given in Article 25.3.

**Tag Offer Period** has the meaning given in Article 25.3.

**Tag Offer Price** has the meaning given in Article 25.2.

**Tag Sale Date** has the meaning given in Article 25.3.

**Third Party Purchaser** means any person who is not a member of the Company at the relevant date (or a Connected Person of such person).

**Total Transfer Condition** has the meaning given in Article 23.3.

**Transfer Notice** has the meaning given in Article 23.2.

**Valuer** means the Company's accountants or, if they are unable or unwilling to act, such independent firm of chartered accountants with appropriate experience in company valuations as is nominated by the President of the Institute of Chartered Accountants in England and Wales on request from the Board.

**Winding Up** means a distribution pursuant to a winding up, dissolution or liquidation of the Company.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words

and expressions which have particular meanings in the Act shall have the same meanings in these Articles.

- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "Article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to legislation or a legislative provision is a reference to it as it is in force on the date when these Articles become binding on the Company.
- 1.6 A reference to legislation or a legislative provision shall include all subordinate legislation made as at the date on which these Articles become binding on the Company under that legislation or legislative provision.
- 1.7 Any words following the terms **including, include, in particular, for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.8 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.9 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.10 Articles 8, 9(1) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.11 Article 7 of the Model Articles shall be amended by:
  - 1.11.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
  - 1.11.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".

- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2) of the Model Articles," after the words "the transmittee's name".
- 1.14 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

## **DIRECTORS**

### **2 UNANIMOUS DECISIONS**

- 2.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 2.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing.
- 2.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.

### **3 CALLING A DIRECTORS' MEETING**

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

### **4 QUORUM FOR DIRECTORS' MEETINGS**

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any three eligible directors provided that one A Director or B Director and one C Director and D director is present.

4.2 If there are fewer directors appointed than the required quorum in Article 4.1 then the quorum shall be reduced to the number of directors appointed for so long as there are less directors appointed than the quorum.

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

## **5 CASTING VOTE**

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

## **6 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

6.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided they have declared the nature and extent of their interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:

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

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

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

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

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

## 7 DIRECTORS' CONFLICTS OF INTEREST

- 7.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his or her duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this Article 7 will be effective only if:
- 7.2.1 the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles;
- 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
- 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this Article 7 may (whether at the time of giving the authorisation or subsequently):
- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;

- 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- 7.3.3 provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
- 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his or her involvement in the Conflict and otherwise than through his or her position as a director of the Company) information that is confidential to a third party, he or she will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
- 7.3.6 permit the Interested Director to absent themselves 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 themselves in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he or she derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **8 RECORDS OF DECISIONS TO BE KEPT**

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

## **9 NUMBER OF DIRECTORS**

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two, and if there shall, at any time, be only one director appointed that director shall have authority to exercise all the powers and discretions that are vested in the directors of the Company generally.

## **10 APPOINTMENT OF DIRECTORS**

10.1 Subject to Article 10.2 and notwithstanding the provisions of Articles 17 and 18 of the Model Articles, a shareholder shall, for so long as they hold at least 10% of the Equity Shares, be entitled from time to time to appoint one person (including themselves) to be a director of the Company and to remove any director who has been so appointed or deemed to have been so appointed by them and to fill the office of any director appointed or deemed to have been appointed as aforesaid by them who dies, resigns, or otherwise ceases to be a director.

10.2 If any shareholder proposes to appoint anyone other than themselves under Article 10.1, that appointment of a director shall be subject to the prior written approval of the Board.

10.3 Every removal of a director under Article 10.1 shall be affected by memorandum in writing signed by the appointing shareholder and delivered to the registered office of the Company and the other shareholders or at a meeting of the directors.

10.4 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

## **11 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

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

11.1.1 exercise that director's powers; and

11.1.2 carry out that director's responsibilities,

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

11.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

11.3 The notice must:

11.3.1 identify the proposed alternate; and

11.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

## **12 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS**

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

12.2 Except as these Articles specify otherwise, alternate directors:

12.2.1 are deemed for all purposes to be directors;

12.2.2 are liable for their own acts and omissions;

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

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

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

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

12.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating):

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

12.3.3 shall not be counted as more than one director for the purposes of Articles 13.3(a) and (b).

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

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

### **13 TERMINATION OF ALTERNATE DIRECTORSHIP**

An alternate director's appointment as an alternate terminates:

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

13.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

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

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

## **SHARES**

### **14 SHARE CAPITAL**

- 14.1 The A Shares, B Shares, C Shares, D Shares and Preference Shares shall constitute different classes of shares for the purposes of the Act, save as otherwise provided in these Articles, the Equity Shares shall be treated *pari passu* in all respects.
- 14.2 Unless the context requires otherwise, references in these Articles to shares of a particular class shall include Shares created and/or issued after the date of adoption of these Articles and ranking *pari passu* in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.

### **15 VOTING**

- 15.1 The A Shares, B Shares, C Shares and D Shares shall confer on the holders thereof the right to receive notice of, attend, speak and vote at any general meeting of the Company and on any written resolution and such votes shall be divided amongst the holders thereof.
- 15.2 Subject to Article 16, the Preference Shares shall not confer any right on the holders thereof to receive notice of, attend, speak or vote at any general meeting of the Company or on any written resolution of the Company.

### **16 MODIFICATION OF RIGHTS**

Subject to the provisions of the Act, all or any of the special rights for the time being attached to any class of Shares for the time being issued (unless otherwise provided by the terms of issue of that class) may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of not less than three quarters of the issued Shares of that class or with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of such Shares. To every such separate general meeting all the provisions of these Articles as to general meetings of the Company shall *mutatis*

mutandis apply, but so that the necessary quorum shall be one person at least holding or representing by proxy not less than one third of the issued Shares of the class; that every holder of Shares of the class shall be entitled on a poll to one vote for every Share of the class held by him; and that any holder of Shares of the class present in person or by proxy may demand a poll.

## **17 LIQUIDATION PREFERENCE AND RETURN OF CAPITAL**

- 17.1 On a return of assets on liquidation, capital reduction or otherwise (other than a conversion or purchase of Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) in the following order of priority:
- 17.1.1 first, in paying to the holders of the Preference Shares in respect of each Preference Share held the Issue Price of that Preference Share, together with a sum equal to any arrears and accruals of the Preference Dividend in respect of that Preference Share calculated down to (and including) the date of the return of capital and, if there is a shortfall of assets remaining to satisfy such payments in full, the proceeds shall be distributed to the holders of the Preference Shares pro rata to the aggregate amounts due under this Article 17.1.1 to each such Preference Share held; and
- 17.1.2 thereafter, in distributing the balance among the holders of the Equity Shares pro rata to the number of Equity Shares held, as if they all constituted shares of the same class.
- 17.2 On a Sale, the Sale Proceeds shall be distributed in the order of priority set out in Article 17.1. The directors shall not register any transfer of Shares if the Sale Proceeds are not distributed in that manner (save in respect of any Shares not sold in connection with that Share Sale) provided that, if the Sale Proceeds are not settled in their entirety upon completion of the Share Sale:
- 17.2.1 the directors may register the transfer of the relevant Shares, provided that the Sale Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in Article 17.1; and
- 17.2.2 each Shareholder shall take any reasonable action (to the extent lawful and within its control) required by a Shareholder to ensure that the balance of the Sale Proceeds are distributed in the order of priority set out in Article 17.1.

17.3 On a Disposal, the surplus assets of the Company remaining after payment of its liabilities shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 17.1 provided always that if it is not lawful for the Company to distribute its surplus assets in accordance with the provisions of these Articles, each Shareholder shall (to the extent lawful and within its control) take any reasonable action required by a Shareholder (including, but without prejudice to the generality of this Article 17.3, such action as may be necessary to put the Company into voluntary liquidation so that Article 16 applies).

## **18 DIVIDENDS**

18.1 The Company shall, without resolution of the Board or the Company in general meeting and before application of any profits to reserve or for any other purpose, pay to the holders of Preference Shares a fixed cumulative preferential dividend at the annual rate of 2% of the Issue Price per Preference Share:

18.1.1 which shall accrue daily and be calculated based on a 365-day year and be paid on the last Business Day of October each year (unless otherwise agreed by the directors) to the person registered as the holder of such Preference Shares at that date; and

18.1.2 on a Sale or earlier redemption of the relevant Preference Shares to the person registered as the holder of such Preference Shares on that date.

18.2 In the event of a Winding Up of the Company, the Preference Dividend shall continue to accrue from day to day and be payable by a liquidator in respect of any period after commencement of such Winding Up in priority to other claims or rights of Shareholders in respect of share capital.

18.3 Provided that the Company has sufficient Available Profits to pay the Preference Dividend, on and from the relevant payment date the Preference Dividend shall become a debt due from the Company.

18.4 If the Company is in arrears in paying the Preference Dividend, the first Available Profits arising shall be applied in the following order of priority:

18.5 first, in or towards paying off all accruals and/or unpaid amounts of Preference Dividend; and

18.6 second, in or towards redeeming all Preference Shares which have not been redeemed on or by the due date for redemption in accordance with Article 19 (**Redemption of Preference Shares**).

18.7 The Company shall procure (so far as it is lawful to do so) that the Available Profits of any other Group Company available for distribution shall from time to time, be paid by way of dividend to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company) as are necessary to permit lawful and prompt payment by the Company of the Preference Dividend by the Company.

Once all Preference Dividends have been paid in any financial year, and subject to the Board recommending payment of the same, any Available Profits which the Company determines to distribute shall be distributed amongst the holders of the A Shares, B Shares, C Shares and D Shares as the Board may determine.

## **19 REDEMPTION OF PREFERENCE SHARES**

19.1 The Company shall redeem the Preference Shares immediately:

19.2 on a Sale;

19.3 on the disposal of all of the Equity Shares held by a holder of Preference Shares;  
or

19.4 on a Re-Organisation,

and in each case the Company shall provide to the holder(s) of the Preference Shares written notice not less than 5 Business Days nor more than 20 Business Days before the date set for redemption setting out the number of Preference Shares to be redeemed and the date for redemption.

19.5 In addition the Company may at any time redeem such number of Preference Shares (in multiples of not less than 10) upon giving at least 5 Business Days written notice to the holders of the Preference Shares.

19.6 If the Company has insufficient Available Profits to redeem all of the Preference Shares required to be redeemed on a particular date set for redemption the Company shall redeem as many of such Preference Shares (in multiples of not less

than 10) as it can lawfully do so with the balance to be redeemed as soon as it is lawfully able to do so.

- 19.7 If the Company is at any time redeeming less than all the Preference Shares from time to time in issue, the number of Preference Shares to be redeemed shall be apportioned between those holders of the Preference Shares then in issue pro rata according to the number of Preference Shares held by them respectively at the date set for redemption.
- 19.8 On the date of redemption:
- 19.8.1 the holders of the Preference Shares to be redeemed shall deliver to the Company at the Company's registered office the certificate(s) for such Preference Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate); and
- 19.8.2 upon such delivery, the Company shall pay to the holder (or, in the case of any joint holders, to the holder whose name stands first in the Company's register of members in respect of such Shares):
- 19.8.2.1 100% of the Issue Price thereof; and
- 19.8.2.2 all accruals and/or unpaid amounts of Preference Dividend in respect thereof, calculated down to and including the date of actual payment,
- and on and from the relevant payment date this aggregate amount shall become a debt due from the Company (subject to the Company having Available Profits or other monies which may be lawfully applied for such redemption).
- 19.9 As soon as practicable after a redemption of Preference Shares (and, in any event, within 7 Business Days thereafter), the Company shall cancel the certificate(s) delivered to it upon redemption and, if any certificate delivered to the Company for cancellation includes any Preference Shares not being redeemed, issue a new certificate(s) to the relevant holder(s) for those Preference Shares.
- 19.10 Notwithstanding Model Article 22(2), the Directors may alter or otherwise fix the terms and conditions of redemption set out in this Article 19.

## 20 FURTHER ISSUES OF SHARES: AUTHORITY

Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company.

## 21 FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

21.1 Unless otherwise agreed by special resolution, if the Company proposes to allot any equity securities (other than any equity securities to be held under an employees' share scheme), those equity securities shall not be allotted to any person unless the Company has first offered them to all shareholders on the date of the offer on the same terms, and at the same price, as those equity securities are being offered to other persons on a pari passu and pro rata basis to the number of shares held by those holders (as nearly as possible without involving fractions). The offer:

21.1.1 shall be in writing, shall be open for acceptance for a period of 15 business days from the date of the offer and shall give details of the number and subscription price of the relevant equity securities; and

21.1.2 may stipulate that any shareholder who wishes to subscribe for a number of equity securities in excess of the proportion to which they are entitled shall, in their acceptance, state the number of excess equity securities (**Excess Securities**) for which they wish to subscribe.

21.2 Any equity securities not accepted by shareholders pursuant to the offer made to them in accordance with Article 21 shall be used for satisfying any requests for Excess Securities made pursuant to Article 21. If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants pro rata to the number of shares held by the applicants immediately before the offer was made to shareholders in accordance with Article 21 (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any shareholder beyond that applied for by that shareholder). After that allotment, any Excess Securities remaining shall be offered to any other person as the directors may determine, at the same price and on the same terms as the offer to the shareholders.

21.3 Subject to Articles 21.1 and 21.2 and to section 551 of the Act, any equity securities shall be at the disposal of the directors who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper.

21.4 No shares shall be allotted to any employee, director, prospective employee or director unless such person has entered into a joint election with the Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003.

## **22 SHARE TRANSFERS – GENERAL**

22.1 In the Share Transfer Provisions, references to the transfer of a Share includes a disposition of any interest in any Share (or the income or capital or other rights thereto) whether legal, beneficial or otherwise, including the entry into any option or other agreement (conditionally or otherwise) for the possible sale or transfer thereof or grant of any security thereover, and whether or not for consideration or by written disposition or otherwise.

22.2 No Share may be transferred unless the transfer is made in accordance with these Articles.

22.3 Any transfer of a Share by way of sale which is required to be made under the Share Transfer Provisions will be deemed to include a warranty from the transferor to the transferee that the transferor sells with full title guarantee.

22.4 The instrument of transfer of a Share may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor (but need not be executed by or on behalf of the transferee). The transferor shall remain the holder of the Shares concerned until the name of the transferee is entered in the register of members in respect of them.

22.5 The directors may refuse to register the transfer of any Share:

(a) on which the Company has a lien; or

(b) unless:

(i) the transfer instrument is lodged at the Company's registered office or at such other place in England as the directors may appoint and is accompanied by the certificate

for the Shares to which it relates (or a suitable indemnity in respect thereof) and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;

- (ii) it is in respect of only one class of Shares; and
- (iii) it is in favour of not more than four transferees; or
- (c) to a person who is (or who the directors reasonably believe to be) under 18 years of age or who does not have (or who the directors reasonably believe does not have) the legal capacity freely to dispose of any Share.

22.6 The directors shall refuse to register the transfer of any Share unless they are satisfied that such transfer is a transfer made in accordance with and permitted by the Share Transfer Provisions in which case the directors shall, subject to Article 22.5, register the transfer of the relevant Share but any transfer or purported transfer of any Share made otherwise than in accordance with these Articles shall be void and of no effect whatsoever.

22.7 The directors may require any Shareholder or other person entitled to transfer a Share or any person named as the transferee in any transfer lodged for registration to provide the Company with such information and evidence as the directors may consider necessary to ensure that any transfer lodged for registration is authorised under these Articles or that no circumstances have arisen in which a Transfer Notice ought to be given or should be deemed to have been given. If the information or evidence shall not be provided to the satisfaction of the directors within a reasonable time, the directors shall be entitled to refuse to register the transfer concerned or (as the case may require) to give a Transfer Notice or deem a Transfer Notice to have been given as if such a circumstance had arisen.

## **23 PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**

23.1 Except where the provisions of Article 24, Article 25 or Article 26 apply, any transfer of Equity Shares by an Equity Shareholder shall be subject to the pre-emption rights in this Article 23 any such transfer or other disposal made otherwise than in accordance with such provisions shall be void.

23.2 Before transferring or otherwise disposing of any Equity Share or any interest or right in or arising from any Equity Share or agreeing to any of the aforementioned,

the person proposing to transfer or otherwise dispose of the same (**Seller**) shall give notice in writing (**Transfer Notice**) to the Company specifying:

- (a) the number of Shares the Seller wishes to transfer (**Sale Shares**);
- (b) if the Seller wishes to transfer the Sale Shares to a third party, the name of the proposed transferee;
- (c) the entire consideration for which the Seller wishes to transfer the Sale Shares; and
- (d) whether the Transfer Notice includes a Total Transfer Condition.

23.3 Notwithstanding that a Transfer Notice specifies that the Seller wishes to dispose only of an interest or right in or arising from or attaching to the Sale Shares referred to in that notice, the Transfer Notice shall unconditionally constitute the Company as the agent of the Transferor in relation to the sale of all the legal title to, beneficial ownership of and all interests and rights attaching to the Sale Shares at the Sale Price in accordance with the provisions of this Article 23 a Transfer Notice shall not be revocable except with the consent of the Board.

23.4 A Transfer Notice may include a condition (**Total Transfer Condition**) that, if all the Sale Shares (if whatever class) are not sold to Relevant Transferees, then none shall be sold.

23.5 Subject to the directors being satisfied (and to that end the Seller shall provide the directors with such evidence as they may reasonably require) that the consideration stated in the Transfer Notice is a bona fide consideration (and not inflated for particular reasons) agreed between the Seller and the proposed transferee at arms' length and in good faith and that sufficient funds are available to the proposed transferee to pay the consideration, such consideration shall be apportioned pro rata between the Sale Shares (as though the same constituted shares of the same class regardless of whether or not that is actually the case) and the apportioned figure shall be the **Sale Price** but if the directors are not so satisfied as to the value of the consideration or in the case of a deemed Transfer Notice, the Sale Price shall either be the Fair Price or (in the case of a deemed Transfer Notice) shall be the price stipulated in Article 23.2.

23.6 As soon as practicable following the receipt of a Transfer Notice, the Board shall offer the Sale Shares for sale in the manner set out in the remaining provisions of

this Article at the Sale Price. Each offer shall be in writing and give details of the number and Sale Price of the Sale Shares offered.

- 23.7 The Board shall offer the Sale Shares to the Equity Shareholders other than the Seller (the **Continuing Shareholders**), inviting them to apply in writing within the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **Offer Period**) for the maximum number of Sale Shares they wish to buy.
- 23.8 If the Sale Shares are subject to a Total Transfer Condition, any allocation made under Article 23.9 to Article 23.13 (inclusive) shall be conditional on the fulfilment of the Total Transfer Condition.
- 23.9 If:
- 23.9.1 at the end of the Offer Period, the total number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder who has applied for Sale Shares in the proportion which the Continuing Shareholder's existing holding of shares bears to the total number of shares held by those Continuing Shareholders who have applied for Sale Shares. 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 Continuing Shareholders who have applied for Sale Shares shall be determined by the Board). No allocation shall be made to a Continuing Shareholder of more than the maximum number of Sale Shares which it has stated it is willing to buy;
- 23.9.2 not all Sale Shares are allocated following allocations in accordance with Article 23.9.1, but there are applications for Sale Shares that have not been satisfied, the Board shall allocate the remaining Sale Shares to such applicant(s) in accordance with the procedure set out in Article 23.9.1; and
- 23.9.3 at the end of the Offer Period, the total number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications. The balance (the **Initial Surplus Shares**) shall be dealt with in accordance with Article 23.13.
- 23.10 If:

- 23.10.1 the Transfer Notice includes a Total Transfer Condition and such Total Transfer Condition has been satisfied, or the Transfer Notice does not include a Total Transfer Condition; and
- 23.10.2 allocations under Article 23.9 to have been made in respect of some or all of the Sale Shares,
- the Board shall give written notice of allocation (an **Allocation Notice**) to the Seller and each Continuing 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, the amount payable by each Applicant for the number of Sale Shares allocated to them (**Consideration**) 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 10 Business Days, after the date of the Allocation Notice).
- 23.11 On the date specified for completion in the Allocation Notice, the Seller shall, against payment of the Consideration, execute and deliver a transfer of the Sale Shares allocated to such Applicant, in accordance with the requirements specified in the Allocation Notice.
- 23.12 If the Seller fails to comply with Article 23.11, the directors shall be entitled to and shall, authorise and instruct some perform to act, as agent on behalf of the Seller:
- 23.12.1 to complete, execute and deliver in the Seller's name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants;
- 23.12.2 to receive the Consideration and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Consideration); and
- 23.12.3 (subject to the transfers being duly stamped) to enter the Applicants in the register of members as the holders of the Sale Shares purchased by them; and
- 23.12.4 the Company shall pay the Consideration into a separate bank account in the Company's name on trust (but without interest) for the Seller until the Seller has delivered its certificate(s) for the relevant Sale Shares or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together, in either case, with such other evidence (if any) as the Board may reasonably require to prove good title to those Sale Shares, to the Company.

23.13 If the Continuing Shareholders are unwilling or unable to accept the Sale Shares or accept some but not all of the Sale Shares the Board shall offer the Sale Shares to the Company.

## **24 COMPULSORY TRANSFERS**

24.1 If a Shareholder who is an individual is made bankrupt or proposes, or enters into, an individual voluntary arrangement or any other arrangement with his creditors such Shareholder shall be automatically deemed to have served a Transfer Notice pursuant to Article 23.2 in respect of all of their Shares. If a Transfer Notice is deemed to have been served pursuant to this Article 24.1, the Sale Price for such Shares for the purposes of Article 23.1 and notwithstanding any provision to the contrary in that Article shall be £1.

24.2 If a shareholder, being an Employee, becomes a Departing Employee for any reason, other than bankruptcy, the directors may, at any time after a Departing Employee ceases to be a director or employee, resolve that such member is required to transfer all Shares held by him and shall give such notice of such resolution to the Departing Employee:

24.2.1 at the expiry of 28 days from the passing of any resolution by the Directors pursuant to Article 24.2 each such Departing Employee shall (unless they have already served a Transfer Notice) be deemed to have served a Transfer Notice pursuant to Article 23.2 in respect of all such Shares; and

24.2.2 notwithstanding any other provisions of these Articles, the Sale Price for such Shares subject to the Transfer Notice shall, where the Departing Employee is:

(a) a Bad Leaver, be restricted to the lower of the aggregate nominal value of the Shares and the Fair Value determined in accordance with Article 28; and

(b) a Good Leaver, be the aggregate Fair Value of the Shares determined in accordance with Article 28.

24.3 Notwithstanding the provisions of Article 24.2 the directors may, by notice in writing served on the Company and the Departing Employee, direct that some higher (but not lower) Sale Price shall apply to any or all of the Shares subject to the Transfer Notice which would otherwise be subject to Article 24.2.

24.4 Other than in accordance with Article 19.1, if the Preference Shares are to be redeemed, each holder of the Preference Shares shall be automatically deemed to have served a Transfer Notice pursuant to Article 23.2 in respect of all of their Equity Shares. If a Transfer Notice is deemed to have been served pursuant to this Article 24.4, the Sale Price for such Shares for the purposes of Article 23.1 and notwithstanding any provision to the contrary in that Article, shall be the Fair Value.

24.5 If a Transfer Notice is deemed to have been served pursuant to any of the provisions set out in Articles 24.1 to 24.4 (inclusive), the procedure set out in Article 23.1 relating to a Transfer Notice and the procedure to be adopted following service of a Transfer Notice shall, save as otherwise provided herein, apply mutatis mutandis to such Transfer Notice.

## 25 TAG-ALONG

25.1 If the holders of the C Shares and D Shares (**Tag Shares**) (**Selling Party**) propose to sell or transfer the entirety of the Tag Shares (**Proposed Tag Transfer**), the remaining provisions of this Article 25 shall apply.

25.2 The Selling Party shall procure that, prior to the completion of the Proposed Tag Transfer, the person(s) proposing to acquire the Tag Shares pursuant to the Proposed Tag Transfer (**Tag Buyer**) shall make an offer (**Tag Offer**) to each Equity Shareholder besides those whose shareholding constitutes the subject of the Proposed Tag Transfer on the date of the Tag Offer, to buy all of the Equity Shares held by such Equity Shareholders (**Remaining Shareholders**) on the date of the Tag Offer for a consideration in cash per Equity Share (**Tag Offer Price**) which is equal to or greater than the highest price per Tag Share offered, paid or to be paid by the Tag Buyer, or the Tag Buyer's Connected Persons, for:

- (a) any Tag Shares in connection with the Proposed Tag Transfer; and
- (b) any Tag Shares acquired by the Tag Buyer, or the Tag Buyer's Connected Persons, during the immediately preceding 12-month period.

25.3 The Tag Offer shall be made by notice in writing (**Tag Offer Notice**) addressed to the Remaining Shareholders on the date of the Tag Offer given at least 15 Business Days (**Tag Offer Period**) before the date fixed for completion of the Proposed Tag Transfer (**Tag Sale Date**). The Tag Offer Notice shall specify:

- (a) the identity of the Tag Buyer (and any persons Acting in Concert with the Tag Buyer);
- (b) the Tag Offer Price and any other terms and conditions of the Tag Offer;
- (c) the Tag Sale Date; and
- (d) the number of Shares which would be held by the Tag Buyer (and persons Acting in Concert with the Tag Buyer) on completion of the Proposed Tag Transfer.

25.4 The completion of the Proposed Tag Transfer shall be conditional in all respects on:

- (a) the making of a Tag Offer in accordance with this Article 25; and
- (b) the completion of the transfer of any Equity Shares by any Remaining Shareholder who accepts the Tag Offer within the Tag Offer Period (each a **Tag Accepting Shareholder**) by sending a notice of acceptance to the Tag Buyer which specifies the number of Equity Shares such Tag Accepting Shareholder wishes to sell to the Tag Buyer (for the avoidance of doubt, any such acceptance must be in respect of all and not only some of the Tag Accepting Shareholder's Equity Shares),

and the Directors shall refuse to register any Proposed Tag Transfer made in breach of this Article 25.4.

25.5 The expression 'price per Tag Share' used in this Article 25 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the Tag Shares in question which, having regard to the substance of the transaction as a whole can reasonably be regarded as an addition to the price paid or payable for the specified Tag Shares and, in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding.

## 26 DRAG ALONG

- 26.1 In this Article 26, the term **Dragging Shareholders** shall mean the holders of the C Shares and D Shares.
- 26.2 If at any time the Dragging Shareholders wish to transfer all of their interests in the Equity Shares (**Dragging Shares**) to a bona fide arms' length purchaser (**Proposed Drag Buyer**), the Dragging Shareholders shall have the option (**Drag Along Option**) to require all the other Equity Shareholders (**Dragged Shareholders**) to sell and transfer all their interest in Equity Shares to the Proposed Drag Buyer (or as the Proposed Drag Buyer may direct) in accordance with the provisions of this Article 26.
- 26.3 The Dragging Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (**Drag Along Notice**) to the Company, which the Company shall forthwith copy to the Dragged Shareholders, at any time before the completion of the transfer of the Dragging Shareholders' Equity Shares to the Proposed Drag Buyer. A Drag Along Notice shall specify:
- (a) that the Dragged Shareholders are required to transfer all their Equity Shares (**Dragged Shares**) pursuant to this Article 26;
  - (b) the identity of the Proposed Drag Buyer;
  - (c) the consideration payable for the Dragged Shares to be received (directly or indirectly) by the Dragged Shareholders; and
  - (d) the proposed date of completion of transfer of the Dragged Shares.
- 26.4 A Drag Along Notice shall lapse if, for any reason, the Dragging Shareholders have not completed the transfer of all the Dragging Shares to the Proposed Drag Buyer (or as the Proposed Drag Buyer may direct) within 60 days of serving the Drag Along Notice. The Dragging Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 26.5 The terms on which the Dragging Shareholders require the Dragged Shareholders to sell their Shares must be no less favourable than the terms on which the Dragging Shareholders are selling their Shares to the Proposed Drag Buyer.
- 26.6 Subject to Article 26.4 no Drag Along Notice shall require a Dragged Shareholder to agree to any terms except those specifically set out in this Article 26.

- 26.7 Completion of the sale and purchase of the Dragged Shares shall take place on the same date as, and shall be conditional upon the completion of, the sale and purchase of the Dragging Shares.
- 26.8 Within 5 Business Days of the Company copying the Drag Along Notice to the Dragged Shareholders, the Dragged Shareholders shall deliver to the Company duly executed stock transfer forms for their Shares in favour of the Proposed Drag Buyer (or as the Proposed Drag Buyer may direct), together with the share certificates in respect of those Shares (or a suitable indemnity in respect thereof). On the expiration of that 5 Business Day period, the Company shall pay the Dragged Shareholders, on behalf of the Proposed Drag Buyer, the amounts they are respectively due pursuant to this Article 26 to the extent the Proposed Drag 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 Drag Buyer. The Company shall hold the amounts due to the Dragged Shareholders in trust for the Dragged Shareholders without any obligation to pay interest.
- 26.9 To the extent that the Proposed Drag Buyer has not, on the expiration of the 5 Business Day period referred to in Article 26.8, put the Company in funds to pay the amounts due, to the Dragged Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or indemnity) for the relevant Shares and the Dragged Shareholders shall have no further rights or obligations under this Article 26 in respect of their Equity Shares except in the event that a further Drag Along Notice is served.
- 26.10 If any Dragged Shareholder fails to deliver to the Company duly executed stock transfer forms and the share certificates (or a suitable indemnity in respect thereof) in respect of the Dragged Shares held by him upon the expiration of the 5 Business Day Period, the Company and each Director shall be constituted the agent of such defaulting Dragged Shareholder to take such actions and enter into any agreements or documents as are necessary to effect the transfer of the relevant Dragged Shares and the Company shall, if requested by the Proposed Drag Buyer, authorise any Director to transfer the relevant Dragged Shares on behalf of the defaulting Dragged Shareholders to the Proposed Drag Buyer against receipt by the Company (on trust for such holder) of the consideration payable for the Dragged Shares. After the Proposed Drag Buyer (or the person nominated by the Proposed Drag Buyer) has been registered as the holder of any such Dragged 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 26.

26.11 Following the issue of a Drag Along Notice but prior to completion of the relevant transfer, upon any person 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, whether or not pursuant to an employee share option scheme (**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 Drag Buyer (or as the Proposed Drag Buyer may direct) and the provisions of this Article 26 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 Dragged Shares.

26.12 Any 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.

## **27 PURCHASE OF OWN SHARES**

27.1 In accordance with section 692 of the CA 2006, the Company may buy back shares from shareholders with cash up to the lower of (i) £15,000, and (ii) the nominal value of 5% of its fully paid share capital in any financial year provided that it is approved by ordinary resolution.

27.2 Pursuant to The Buyback Regulations 2013, the directors may also acquire shares out of capital for the purposes of or pursuant to an employees' share scheme.

27.3 The Company shall immediately cancel any shares bought back in accordance with this Article.

## **28 FAIR VALUE CALCULATION**

- 28.1 Where the 'Fair Value' of any Equity Share is required to be calculated for the purposes of interpreting these Articles, it shall be determined by the Valuer, who shall base their determination on the assumption that:
- 28.1.1 all of the Equity Shares will be treated as though they enjoyed the same rights and as though they each belonged to the same class of share regardless of the fact that there may be more than one class of share in issue at the relevant time;
  - 28.1.2 the Equity Shares will be sold on an arms' length basis between a willing seller and a willing buyer;
  - 28.1.3 the Company will continue to carry on its business as a going concern (so long as it is then doing so);
  - 28.1.4 the Equity Shares to be sold are capable of being transferred without restriction under these Articles or otherwise; and
  - 28.1.5 there will be no discount for minority applied to the Equity Shares.
- 28.2 The Valuer shall be requested to determine the Fair Value within 20 Business Days of their appointment and notify the directors of their determination. The fees of the Valuer shall be borne by the Company.
- 28.3 The Valuer shall act as an expert and not as an arbitrator and their determination shall be final and binding in the absence of fraud or manifest error.
- 28.4 The directors shall grant the Valuer access to all accounting records or other relevant documents of the Company, subject to any confidentiality provisions within those documents.

## **DECISION MAKING BY SHAREHOLDERS**

### **29 QUORUM AT SHAREHOLDERS' MEETINGS**

- 29.1 No business shall be transacted at any general meeting (including any adjournment thereof) unless a quorum of Equity Shareholders is present at the time when the meeting proceeds to business and throughout the meeting. The quorum at a general meeting shall, subject to the provision of Article 29.2, be three Equity Shareholders.

29.2 If, at any time, there is only one Equity Shareholder the quorum at a general meeting shall be reduced to one but only for so long as there is one Shareholder.

### **30 VOTING AT SHAREHOLDERS' MEETINGS**

At any general meeting (including any adjournment thereof) the chairman of such meeting shall not have a second or casting vote on an equality of votes, whether on a show of hands or on a poll.

### **31 POLL VOTES**

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

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

### **32 PROXIES**

32.1 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

32.2 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid ,unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that article.

## **ADMINISTRATIVE ARRANGEMENTS**

### **33 MEANS OF COMMUNICATION TO BE USED**

33.1 Subject to Article 33.3, any notice, document or other information shall be deemed received by the intended recipient:

- 33.1.1 if delivered by hand at the time the notice, document or other information is left at the address;
- 33.1.2 if sent by next working day delivery service at 9.00 am on the second Business Day after posting;
- 33.1.3 if sent by email, at the time of transmission; or
- 33.2 If deemed receipt under Article 33.1 would occur outside business hours in the place of receipt, it shall be deferred until business hours resume. In this Article 14.2, business hours means 9.00 am to 5.00 pm Monday to Friday on a day that is not a public holiday in the place of receipt and all references to time are to local time in the place of receipt.
- 33.3 To prove service, it is sufficient to prove that:
  - 33.3.1 if delivered by hand, the notice was delivered to the correct address; or
  - 33.3.2 if sent by post the envelope containing the notice was properly addressed, paid for and posted; or
  - 33.3.3 if sent by e-mail, the notice was properly addressed and sent to the e-mail address of the recipient.

#### **34 INDEMNITY**

- 34.1 Subject to Article 34.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
  - 34.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him or her as a relevant officer:
    - 34.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and
    - 34.1.1.2 in relation to the Company's (or any associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

34.1.2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him or her in connection with any proceedings or application referred to in Article 34.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

34.3 In this Article:

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

34.3.2 a "relevant officer" means any director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

## **35 INSURANCE**

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

35.2 In this Article:

35.2.1 a "relevant officer" means any director or other officer the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);

35.2.2 a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in

relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

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