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2023

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

SAPPHIRE INTERNATIONAL TRANSPORT LIMITED (Company Number: 06393750)

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(Adopted by special resolution passed on 26 October 2023)

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 to it in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended).

Adoption Date: the date of adoption of these Articles.

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

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

Chairman: has the meaning given to it in article 5.6;

Company: Sapphire International Transport Limited (Company number 06393750).

Company's Lien: has the meaning given to it in article 18.1.

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

Corporate Shareholder: L.I.T Speditions GmbH.

Corporate Shareholder Consent: the prior consent in writing of the Corporate Shareholder.

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

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

Eligible Director: 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).

Fair Value: has the meaning given in article 12.2.

Financial Year: an accounting reference period (as defined in section 391 of the Act) of the Company.

Group: the Company, any subsidiary or any holding company from time to time of the Company, and any subsidiary from time to time of a holding company of the Company from time to time and Group Company: shall be construed accordingly.

holding company: has the meaning given in article 1.11.

Independent Expert: the auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the Company and the Seller (or, for the purposes of article 15.5, the Corporate Shareholder) or, in the absence of agreement between the Company and the Seller (or Corporate Shareholder) on the identity of the expert within 28 Business Days of the expiry of the 21 Business Day period referred to in article 12.1, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants of England and Wales (in each case acting as an expert and not as an arbitrator).

Individual Shareholders: Annette June Bryant and Mark Simon Dixon and **Individual Shareholder** shall mean any one of them.

L.I.T Director(s): a director(s) appointed to the Board by the Corporate Shareholder.

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

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

Obligatory Transfer Event: has the meaning given in article 13.

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

Permitted Transfer: a transfer of Shares made in accordance with article 10.

Permitted Transferee: in relation to a Corporate Shareholder, to (i) a Member of the Same Group as that Corporate Shareholder, or (ii) any nominee of that Corporate Shareholder.

Sale Shares: has the meaning given in article 11.2.1.

Seller: has the meaning given in article 11.2.

Shareholder: a holder for the time being of any Share or Shares, but excluding any member holding Shares in the treasury.

Shareholders' Agreement: the Shareholders' Agreement dated on or around the Adoption Date between, amongst others, the Company, the Corporate Shareholders and holders of Shares.

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

subsidiary: has the meaning given in article 1.11.

Transfer Notice: has the meaning given in article 11.2.

Transfer Price: has the meaning given in article 12.

1.2 Headings in these Articles shall not affect the interpretation of these Articles.

- 1.3 Unless the context otherwise requires, words in the singular shall include the plural and the plural shall include the singular.
- 1.4 Unless the context otherwise requires, a reference to one gender shall include a reference to the other genders.
- 1.5 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date).
- 1.6 A reference in these Articles to:
- 1.6.1 an **Article** is a reference to the relevant numbered article of these Articles; and
- 1.6.2 a **model article** is a reference to the relevant article,
- unless expressly provided otherwise.
- 1.7 A reference to a statute or statutory provision is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.8 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.
- 1.9 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.10 A reference in these Articles to a holder, or the holder(s), of Shares or any class of Shares as the case may be shall, in each case, be deemed to exclude any member holding Shares in treasury.
- 1.11 A reference to a **holding company** or a **subsidiary** means a holding company or a subsidiary (as the case may be) as defined in section 1159 of the Act and for the purposes only of the membership requirement contained in sections 1159(1)(b) and (c), a company shall be treated as a member of another company even if its shares in that other company are registered in the name of:
- 1.11.1 another person (or its nominee), by way of security or in connection with the taking of security; or
- 1.11.2 its nominee.

In the case of a limited liability partnership which is a subsidiary of a company or another limited liability partnership, section 1159 of the Act shall be amended so that: (a) references in sections 1159(1)(a) and (c) to voting rights are to the members' rights to vote on all or substantially all matters which are decided by a vote of the members of the limited liability partnership; and (b) the reference in section 1159(1)(b) to the right to appoint or remove a majority of its board of directors is to the right to appoint or remove members holding a majority of the voting rights.

2. ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation.
- 2.2 Model articles 7, 8, 9(1) and (3), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 18(e), 22, 26(5), 38, 39, 49, 50 and 51 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 2.4 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".
- 2.5 Model article 29 shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".

DIRECTORS

3. NUMBER OF DIRECTORS

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

4. PROCEEDINGS OF DIRECTORS

- 4.1 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with article 4.2 (subject to article 4.3 and article 4.4). All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall be decided by a majority of votes. For so long as an L.I.T Director is office (acting with Corporate Shareholder Consent), at any board meeting at which any business or resolution is transacted or proposed, he shall be entitled to the number of votes which exceeds by one the aggregate number of votes capable of being cast by all the other Directors (including alternate directors) present or participating on such business or resolution.
- 4.2 A unanimous decision of the Directors is taken when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 4.3 A decision taken in accordance with article 4.2 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.
- 4.4 A decision may not be taken in accordance with article 4.2 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter in accordance with article 4.7 and article 4.8.

- 4.5 Model articles 5(1) to 5(3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Corporate Shareholder Consent)" following each reference to "the directors" in such model articles.
- 4.6 Any Director may call a meeting of the Directors. At least 10 Business Days' advance notice in writing of each such meeting shall be given to each Director (except with the prior consent of the L.I.T Director (if one is in office and if not in office with Corporate Shareholder Consent), when meetings of the Directors may take place less frequently or on shorter notice).
- 4.7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall be two Eligible Directors, which must include an L.I.T Director in office for the time being, unless:
- 4.7.1 there is no L.I.T Director in office for the time being; or
- 4.7.2 such L.I.T Director has, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting; or
- 4.7.3 such L.I.T Director is not, in respect of any particular meeting (or part of a meeting), an Eligible Director.
- in which case, subject to article 4.8, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two Eligible Directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the Directors determine. If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed.
- 4.8 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a Conflict (as defined in article 7.1), if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.9 If the number of Directors in office for the time being is less than two, the Director in office must not take any decision other than a decision to:
- 4.9.1 appoint further Directors; or
- 4.9.2 call a general meeting so as to enable the Shareholders to appoint further Directors.
- 4.10 Questions arising at any meeting of the Directors shall be decided by a majority of votes. If there is an equality of votes, the Chairman (or other chairman of the meeting) shall not have a second or casting vote.
- 4.11 Where decisions of the Directors are taken by electronic means, such decisions shall be recorded by the Directors in permanent form, so that they may be read with the naked eye.
- 5. L.I.T DIRECTOR, CHAIRMAN AND OBSERVER**
- 5.1 The Corporate Shareholder shall have the right, for so long as the Corporate Shareholder holds Shares in the Company, to appoint, by notice in writing addressed to the Company,

and to maintain in office, one person as a Director (an **L.I.T Director**) and the Corporate Shareholder shall have the right to remove or replace the L.I.T Director appointed by it.

- 5.2 Any appointment or removal of the L.I.T Director made in accordance with article 5.1 shall take immediate effect upon receipt (or deemed receipt) by the Company of such notice in writing, or the production of such notice at a meeting of the Directors or, if later, the date (if any) specified in such notice.
- 5.3 An L.I.T Director shall be entitled to be appointed to any committee of the Directors established from time to time. On the receipt of the request in writing of his appointor(s), the Company shall procure that an L.I.T Director shall be appointed as a director of any other Group Company, to the extent specified in such request.
- 5.4 The Corporate Shareholder shall have the right to nominate one person to be an observer, who shall be entitled to receive notice of all meetings of Directors (and committees of the Directors) and copies of all board papers as if he were a Director and to attend, propose resolutions and speak at, but not vote at, any meeting of the Directors (and committees of the Directors).
- 5.5 The expenses of each L.I.T Director and each observer shall be payable by the Company.
- 5.6 The Directors may, with Corporate Shareholder Consent, appoint any person as chairman of the board of Directors (**Chairman**) and may, with Corporate Shareholder Consent, remove and replace any such Chairman. A Chairman shall not have a casting vote. If there is no Chairman in office for the time being, or the Chairman is unable to attend any meeting of the Directors, the Directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

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 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:
 - 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 the Directors) in respect of such existing or proposed transaction or arrangement in which he 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 is interested;
 - 6.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;

- 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 he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. DIRECTORS' CONFLICTS

- 7.1 The Directors may, in accordance with the requirements set out in this article 7, 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:
 - 7.2.1 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;
 - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the 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 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 subject to Corporate Shareholder Consent, 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 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

- 7.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Directors and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 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, notwithstanding his office, may be a Director or other officer of, employed by, or otherwise interested (including by the holding of shares) in his appointor(s) (or any Permitted Transferee of such appointor(s)) and no authorisation under article 7.1 shall be necessary in respect of any such interest.
- 7.7 The L.I.T Director (if one is in office) shall be entitled from time to time to disclose to his appointor(s) (and to any Permitted Transferee of such appointor(s)) such information concerning the business and affairs of the Company as he shall at his discretion see fit.
- 7.8 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the Directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

SHARES AND DISTRIBUTIONS

8. SHARE RIGHTS

Except as otherwise provided in these Articles, the Shares shall rank *pari passu* in all respects.

9. TRANSFERS OF SHARES: GENERAL

- 9.1 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.
- 9.2 No Share shall be transferred, and the Directors shall refuse to register a transfer of any Share, unless it is made in accordance with these Articles. Subject to article 9.5, the Directors shall register any duly stamped transfer made in accordance with these Articles, unless they suspect that the proposed transfer may be fraudulent.
- 9.3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Corporate Shareholder Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him.

- 9.4 Any transfer of a Share by way of sale which is required to be made under article 13 or article 14, article 14 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee.
- 9.5 The Directors may (and shall, if requested by the Corporate Shareholder), as a condition to the registration of any transfer of Shares, require the transferee to execute and deliver to the Company a deed, in favour of the Company and the Corporate Shareholder agreeing to be bound by the terms of the Shareholders' Agreement in such form as the Directors (acting with Corporate Shareholder Consent) may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor). If any condition is imposed in accordance with this article 9.5, the transfer may not be registered unless and until that deed has been executed and delivered to the Company's registered office by the transferee.
- 9.6 To enable the Directors to determine whether or not there has been any transfer (or purported transfer) of Shares the Directors may, and shall if so requested by an L.I.T Director (if one is in office), require:
- 9.6.1 any holder (or the legal representatives of a deceased holder); or
 - 9.6.2 any person named as a transferee in a transfer lodged for registration; or
 - 9.6.3 such other person as the Directors or an L.I.T Director may reasonably believe to have information relevant to that purpose,
- to provide the Company with any information and evidence that the Directors think fit regarding any matter which they deem relevant to that purpose.
- 9.7 If any such information or evidence referred to in article 9.6 is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or that as a result of the information and evidence provided the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares of that fact in writing and, if the holder fails to remedy that situation to the reasonable satisfaction of the Directors (including an L.I.T Director) within 14 Business Days of receipt of such written notice, then, unless otherwise directed in writing by the Corporate Shareholder:
- 9.7.1 the relevant Shares shall cease to confer on the holder of them any rights:
 - 9.7.1.1 to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares; or
 - 9.7.1.2 to receive dividends or other distributions otherwise attaching to those Shares; and
- 9.8 the Directors may, by notice in writing to the relevant holder, determine that a Transfer Notice shall be deemed to have been given in respect of some or all of his Shares with effect from the date of service of the notice (or such later date as may be specified in such notice). The Directors may (with Corporate Shareholder Consent) reinstate the rights referred to in article 9.7.1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to article 9.8 on completion of such transfer.

- 9.9 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles, the Deemed Transfer Notice shall be treated as having specified that:
- 9.9.1 it does not contain a Minimum Transfer Condition; and
- 9.9.2 the Seller wishes to transfer all the Shares held by him (including any Shares acquired after the date the relevant Transfer Notice is deemed given but before completion of the transfer of Shares pursuant to the relevant Transfer Notice).
- 9.10 Any Transfer Notice (but not a Drag Along Notice (as defined in article 14)) served in respect of the transfer of any Share which has not completed before the date of service of a Deemed Transfer Notice shall (save with Corporate Shareholder Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice.
- 10. PERMITTED TRANSFERS OF SHARES**
- 10.1 The Corporate Shareholder (**Original Corporate Shareholder**) may transfer all or any of its Shares to a Permitted Transferee.
- 10.2 If the Original Corporate Shareholder has made a Permitted Transfer, the Permitted Transferee shall, within 28 Business Days of ceasing to be a Member of the Same Group as the Original Corporate Shareholder, transfer the Shares held by it to:
- 10.2.1 the Original Corporate Shareholder; or
- 10.2.2 a Member of the Same Group as the Original Corporate Shareholder,
- (which in either case is not in liquidation), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 10.2, a Transfer Notice shall be deemed to have been given in respect of such Shares on the expiry of the period set out in this article 10.2.
- 10.3 Notwithstanding any other provision of this article 10, a transfer of any Shares approved by the Directors (acting with Corporate Shareholder Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors.
- 10.4 On the death of an Individual Shareholder his or her personal representatives may, within 6 months of death of the Individual Shareholder, transfer all of his or her Shares to the remaining Individual Shareholder. On the death of the remaining Individual Shareholder articles 13.5 and 13.6 shall apply.
- 11. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES**
- 11.1 Except where the provisions of article 10, article 14 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 11.
- 11.2 A Shareholder (other than the Corporate Shareholder) who wishes to transfer Shares (a **Seller**) shall, before transferring or agreeing to transfer any Shares, give notice in writing (a **Transfer Notice**) to the Company specifying:
- 11.2.1 subject to article 9.9.2, the number of Shares he wishes to transfer (**Sale Shares**);
- 11.2.2 the name of the proposed transferee, if any;

- 11.2.3 the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**); and
 - 11.2.4 subject to article 9.9.1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**).
- 11.3 Once given, a Transfer Notice may only be withdrawn with Corporate Shareholder Consent.
- 11.4 A Transfer Notice (or Deemed Transfer Notice) constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price.
- 11.5 As soon as practicable following the later of:
 - 11.5.1 receipt of a Transfer Notice (or in the case of a Deemed Transfer Notice, the date such notice is deemed to be served); and
 - 11.5.2 the determination of the Transfer Price,the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 11.3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 11 at the Transfer Price. Each offer shall be in writing and shall give details of the number and Transfer Price of the Sale Shares offered.
- 11.6 The Board shall forthwith offer the sale shares to all Shareholders other than the Seller (**Continuing Shareholders**), inviting them to apply in writing within 20 Business Days of the date of the offer (**First Offer Period**) for the maximum number of sale shares they wish to buy. Such offer shall be in writing and give details of the number and Transfer Price of the sale shares offered. If, at the end of the First Offer Period, the 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 his 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 to the nearest whole number. No allocation shall be made to a Continuing Shareholder of more than the maximum number of sale shares which he has stated he is willing to buy. If only some of the sale shares are allocated in accordance with this Article 11.6, but there are applications for sale shares that have not been satisfied, those sale shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 11.7. If, at the end of the First 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 (**Initial Surplus Shares**) shall be dealt with in accordance with Article 11.7.
- 11.7 At the end of the First Offer Period the Board shall forthwith offer the Initial Surplus Shares to the Company for repurchase at the Transfer Price subject to compliance with the applicable provisions under the Act relating to the purchase by a company of its own shares and tax clearance being obtained for capital treatment for such purchase for the Seller. Such offer shall specify all remaining sale shares must be purchased by the Company. Such offer shall limit a period not being more than three months after the date of the offer within which the offer shall be accepted or in default shall be deemed to have been declined (**Company Offer Period**).

- 11.8 If allocations under Article 11.6, and, if necessary, Article 11.7 has been used to effect the Purchase of all of the sale shares, the Board shall give written notice of allocation (**Allocation Notice**) to the Seller and each Shareholder to whom sale shares have been allocated (**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 him (**Consideration**) and the place and time for completion of the transfer of the sale shares (which shall be at least 5 Business Days and not more than 20 Business Days after the date of the Allocation Notice).
- 11.9 On the service of an Allocation Notice, the Seller shall, against payment of the Consideration, transfer the sale shares allocated in accordance with the requirements specified in the Allocation Notice.
- 11.10 If the Seller fails to comply with the requirements of the Allocation Notice or fails to execute the necessary documents to enable the Company to purchase the relevant sale shares pursuant to Article 11.8:
- 11.10.1 the Chairman of the Company (or, failing him, one of the other Directors (acting with Corporate Shareholder Consent), or some other person nominated by a resolution of the Board) may, on behalf of the Seller:
- 11.10.1.1 complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant sale shares to the Applicants or the purchase of the relevant share shares by the Company;
- 11.10.1.2 receive the Consideration and give a good discharge for it; and
- 11.10.1.3 (subject to the transfers being duly stamped) enter the Applicants in the register of Shareholders as the holders of the shares purchased by them; and
- 11.10.2 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 he has delivered his certificate for the relevant shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate, together with such other evidence (if any) as the Board may reasonably require to prove good title to those shares) to the Company.
- 11.11 If, all the sale shares are not subject to an Allocation Notice or company repurchase under Article 11.8 the Seller may not transfer the sale shares.
- 11.12 The restrictions imposed by this agreement may be waived in relation to any proposed transfer of shares with the consent of Shareholders who, but for the waiver, would or might have been entitled to have such shares offered to them in accordance with this Article.
- 12. VALUATION**
- 12.1 The Transfer Price for each Sale Share the subject of a Transfer Notice (or Deemed Transfer Notice) shall, save where expressly provided otherwise in these Articles, be the price per Sale Share (in cash) agreed between the Directors (any Director with whom the Seller is connected not voting), acting with Corporate Shareholder Consent, and the Seller or, in default of agreement within 20 Business Days of the date of service of the Transfer Notice (or, in the case of a Deemed Transfer Notice, the date on which the board of Directors first

has actual knowledge of the facts giving rise to such deemed service), the Fair Value of each Sale Share.

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

12.2.1 valuing the Sale Shares as on an arm's-length sale between a willing seller and a willing buyer as at the date the Transfer Notice was served (or deemed served);

12.2.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

12.2.3 that the Sale Shares are capable of being transferred without restriction;

12.2.4 valuing the Sale Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and

12.2.5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account.

12.3 If any difficulty arises in applying any of these assumptions or bases then the Independent Expert shall resolve that difficulty in whatever manner it shall in its absolute discretion think fit.

12.4 The Directors will give the Independent Expert access to all accounting records or other relevant documents of the Group, subject to it agreeing such confidentiality provisions as the Directors may reasonably impose.

12.5 The parties are entitled to make submissions to the Independent Expert including oral submissions and shall provide (or procure that others provide) the Independent Expert with such assistance and documents as the Independent Expert may reasonably require for the purpose of reaching a decision.

12.6 The Independent Expert shall act as expert and not as arbitrator and its determination shall be final and binding on the parties (in the absence of fraud or manifest error).

12.7 The Independent Expert shall be requested to determine the Fair Value within 40 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller.

12.8 The cost of obtaining the Independent Expert's certificate shall be borne by the parties equally or in such other proportions as the Independent Expert may direct.

13. OBLIGATORY TRANSFER EVENTS

13.1 If anything mentioned in this Article happens to an Individual Shareholder, it is an Obligatory Transfer Event in respect of that party:

13.1.1 a petition is presented, or an order is made, for the party's bankruptcy;

13.1.2 an application to the court is made under section 253 of the Insolvency Act 1986 where the party intends to make a proposal to his creditors for a voluntary arrangement;

- 13.1.3 the party makes an individual voluntary arrangement with his creditors on agreed terms pursuant to section 263A of the Insolvency Act 1986;
 - 13.1.4 the party convenes a meeting of his creditors or takes any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally;
 - 13.1.5 the party is unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986;
 - 13.1.6 any encumbrancer takes possession of, or a receiver is appointed over or in relation to, all of the party's assets;
 - 13.1.7 the happening in relation to a party of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets;
 - 13.1.8 the court has made an order or appointed a deputy under section 16 of the Mental Capacity Act 2005;
 - 13.1.9 an Individual Shareholder committing a material or persistent breach of any shareholders' agreement to which it is a party in relation to the Shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the Corporate Shareholder requiring such remedy;
 - 13.1.10 a Director (other than an L.I.T Director) voluntarily resigns his position as Director; or
 - 13.1.11 an Individual Shareholder's employment ceases for any reason.
- 13.2 Where an Obligatory Transfer Event happens to an Individual Shareholder (in this Article the Seller) it shall give notice of it to the Company as soon as possible and, if it does not, it is deemed to have given notice of the Obligatory Transfer Event to the Company on the date on which the other parties become aware of the Obligatory Transfer Event (**Deemed Transfer Notice**). A Deemed Transfer Notice this article shall have the same effect as a Transfer Notice served under article 11.2 save that pursuant to:
- 13.2.1 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 the price for the Sale Shares shall be:
 - 13.2.1.1 in the case of any Bad Leaver Event (as defined in article 13.3 below) triggering the Deemed Transfer Notice, the nominal value of those Shares; or
 - 13.2.1.2 in the case of a Good Leaver Event (as defined in article 13.4 below) triggering the Deemed Transfer Notice, the aggregate Fair Value of those Shares, determined by the Independent Expert in accordance with article 12; and
 - 13.2.2 the Seller shall not have a right to withdrawal following the valuation applicable thereto; and
 - 13.2.3 there shall be no Minimum Transfer Condition.
- 13.3 For the purpose of article 13.2.1.1 **Bad Leaver Event** shall mean a Transfer Notice being deemed served under any of the following articles:

- 13.3.1 articles 13.1.1 to 13.1.8 (inclusive) (bankruptcy);
 - 13.3.2 article 13.1.9 (breach of shareholder agreement);
 - 13.3.3 article 13.1.10 (director resignation) where the resignation takes effect within two (2) calendar years after the Adoption Date;
 - 13.3.4 article 13.1.11 where an Individual Shareholder's employment terminates for any reason whatsoever within two (2) calendar years after the Adoption Date and thereafter by reason of gross misconduct or other matter entitling the employer to lawfully summarily dismiss the employee.
- 13.4 For the purpose of article 13.2.1.2 **Good Leaver Event** shall mean a Transfer Notice being deemed served under article 13.1.11 where:
- 13.4.1 an Individual Shareholder's employment ceases after two (2) calendar years after the Adoption Date voluntarily by the Individual Shareholder
 - 13.4.2 the resignation of an Individual Shareholder as a director takes effect after two (2) years from the Adoption Date; or
 - 13.4.3 an Individual Shareholder's employment ceases by reason of permanent disability or permanent incapacity through ill-health.
- 13.5 Subject to article 10.4, in the event of the death of any Individual Shareholder his personal representatives shall be obliged to serve a Transfer Notice before transferring any shares held by the deceased or themselves electing to be registered as the holders of such shares. Any such Transfer Notice served shall have the same effect as a Transfer Notice served under Article 11.2 save that the following shall be deemed to apply:
- 13.5.1 it shall not state a Minimum Transfer Condition;
 - 13.5.2 it does not identify a proposed buyer or state a price for the Sale Shares and the price for the Sale Shares shall be the aggregate Fair Value of those Shares, determined by the Independent Expert in accordance with article 12.
- 13.6 Subject to article 10.4 and in the event that no Transfer Notice is served under Article 13.5 in respect of all the shares held by the deceased by the personal representatives within nine months of the date of death of a holder of an Individual Shareholder the Board may (but is not obliged to) at any time thereafter serve a notice (a **Compulsory Transfer Notice**) on the personal representatives the effect of which shall be the same in all respects as if a Transfer Notice had been served by the personal representatives under Article 13.5 in respect of all the shares held by the deceased on the date of service of the Compulsory Transfer Notice and the provisions of Article 13.5 shall accordingly apply to such Compulsory Transfer Notice as if it was a Transfer Notice signed by the personal representatives in respect of all the shares held by the deceased.
14. **DRAG ALONG**
- 14.1 If the Corporate Shareholder (the **Selling Shareholder**) wishes to transfer all of its interest in Shares (**Seller's Shares**) to a bona fide purchaser on arm's-length terms (**Proposed Buyer**), the Selling Shareholder shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all

- their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 14.
- 14.2 The Selling Shareholder may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Seller's Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify:
- 14.2.1 that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this article 14;
 - 14.2.2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer);
 - 14.2.3 the consideration payable for the Called Shares calculated in accordance with article 14.4;
 - 14.2.4 the proposed date of completion of transfer of the Called Shares.
- 14.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Corporate Shareholder Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholder has not completed the transfer of all the Seller's Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 20 Business Days of serving the Drag Along Notice. The Selling Shareholder may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 14.4 The Called Shareholders shall sell each Called Share for a consideration in cash per Called Share that is at least equal to the highest price per Share offered or paid to the Selling Shareholder by the Proposed Buyer, or any person Acting in Concert with the Proposed Buyer, in the proposed transfer of the Seller's Shares to the Proposed Buyer or in any related previous transaction in the 12 months preceding the date of the proposed transfer of the Seller's Shares to the Proposed Buyer.
- 14.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 14.
- 14.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Seller's Shares to the Proposed Buyer unless:
- 14.6.1 all of the Called Shareholders and the Selling Shareholder otherwise agree; or
 - 14.6.2 that date is less than 20 Business Days after the date of service of the Drag Along Notice, in which case completion of the sale and purchase of the Called Shares shall take place 20 Business Days after the date of service of the Drag Along Notice.
- 14.7 Within 15 Business Days of the Selling Shareholder serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Buyer (or as the Proposed Buyer may direct), together with the share certificate(s) in respect of those Shares (or a suitable indemnity in respect thereof) to the Company. On the expiration of that 15 Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to article 14.4 to the extent the Proposed Buyer has put the Company in the

requisite funds. The Company's receipt for the amounts due pursuant to article 14.4 shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 14.4 in trust for the Called Shareholders without any obligation to pay interest.

- 14.8 To the extent that the Proposed Buyer has not, on the expiration of the 15 Business Day period, put the Company in funds to pay the amounts due pursuant to article 14.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate(s) (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this article 14 in respect of their Shares.
- 14.9 If any Called Shareholder fails to deliver to the Company a duly executed stock transfer form (or forms) in respect of the Called Shares held by him (together with the share certificate(s) in respect of those Called Shares (or a suitable indemnity in respect thereof)) the defaulting Called Shareholder shall be deemed to have appointed any person nominated for the purpose by the Selling Shareholder to be his agent and attorney to execute and deliver all necessary transfers on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares. After the Proposed Buyer (or person(s) nominated by the Proposed Buyer) has been registered as the holder of any such Called Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of any transfer of Shares under this article 14.
- 14.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares, whether or not pursuant to a share option scheme (a **New Shareholder**), a Drag Along Notice shall be deemed to have been served upon the New Shareholder, on the same terms as the previous Drag Along Notice, who shall then be bound to sell and transfer all such Shares acquired by him to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article 14 shall apply mutatis mutandis to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Drag Along Notice being deemed served on the New Shareholder and the date of completion of the sale of the Called Shares. References in this Article 23.11 to a person becoming a Shareholder (or increasing an existing shareholding) shall include the Company, in respect of the acquisition of any of its own Shares.
- 14.11 A transfer of Called Shares to a Proposed Buyer (or as the Proposed Buyer may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the pre-emption provisions of article 11.
- 14.12 Any Transfer Notice or Deemed Transfer Notice served in respect of the transfer of any Share which has not completed before the date of service of a Drag Along Notice shall automatically be revoked by the service of a Drag Along Notice.

DECISION-MAKING BY SHAREHOLDERS

15. GENERAL MEETINGS

- 15.1 No business other than, subject to article 15.2, the appointment of the chairman of the meeting is to be transacted at a general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.
- 15.2 The Chairman shall chair general meetings. If there is no Chairman in office for the time being, or the Chairman is unable to attend any general meeting, the Directors present (or, if no Directors are present, the meeting) must appoint another Director present at the meeting (or, if no Directors are present, a Shareholder) to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.

16. VOTING

- 16.1 The Ordinary Shares shall confer on each holder of such Shares the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to receive and vote on proposed written resolutions of the Company.
- 16.2 Where Shares confer a right to vote, on a show of hands each holder of such Shares who (being an **individual**) is present in person or by proxy or (being a **corporation**) is present by a duly authorised representative or by proxy shall have one vote and on a poll each such holder so present shall have one vote for each Share held by him.
- 16.3 No voting rights attached to a Share which is nil paid or partly paid may be exercised:
- 16.3.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it; or
- 16.3.2 on any proposed written resolution,
- unless all of the amounts payable to the Company in respect of that share have been paid.

17. PURCHASE OF OWN SHARES

- 17.1 Subject to the Act but without prejudice to any other provision of these Articles (including, without limitation, article 13.2(e)), the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 17.1.1 £15,000; and
- 17.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each Financial Year.
- 17.2 On a purchase of Shares in accordance with Chapter 4 of Part 18 of the Act, the Company may:
- 17.2.1 hold the Shares (or any of them) in treasury;
- 17.2.2 deal with any of the Shares, at any time, in accordance with section 727; or
- 17.2.3 cancel any of the Shares, at any time, in accordance with section 729 of the Act.

18. COMPANY'S LIEN OVER SHARES

- 18.1 The Company has a lien (the **Company's Lien**) over every Share which is registered in the name of a person indebted or under any liability to the Company, whether he is the sole

registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

18.2 The Company's Lien over a share:

18.2.1 takes priority over any third party's interest in that Share; and

18.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.

18.3 The Directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

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:

19.1.1 if delivered by hand, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

19.1.2 if sent by fax, at the time of transmission; or

19.1.3 if sent by pre-paid 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

19.1.4 if sent by reputable international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt or at the time the notice, document or other information is left at the address; or

19.1.5 if sent or supplied by email, one hour after the notice, document or information was sent or supplied; or

19.1.6 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website; and

19.1.7 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 9.00am 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:

19.2.1 if delivered by hand the notice was delivered to the correct address; or

19.2.2 if sent by post the envelope containing the notice was properly addressed, paid for and posted; or

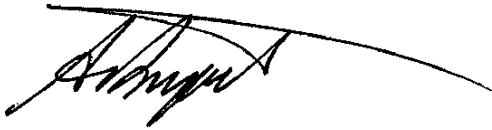
19.2.3 if sent by email, the notice was properly addressed and sent to the email address of the recipient.

19.3 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the Act.

20. INDEMNITY AND INSURANCE

20.1 Subject to the Act, but without prejudice to any indemnity to which a director may otherwise be entitled, each director or other officer of the Company (other than any person (whether an officer or not) engaged by the Company as auditor) shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a director or other officer of the Company or any company that is a trustee of an occupational pension scheme (as defined in section 235(6) of the Act) in the actual or purported execution and/or discharge of his duties, or in relation thereto including any liability incurred by him in defending any civil or criminal proceedings, in which judgement 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 relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's affairs.

20.2 The Company may buy and maintain insurance against any liability falling upon its Directors or other officers or auditors which arises out of their respective duties to the Company, or in relation to its affairs.

A handwritten signature in black ink, appearing to be 'A. Singh', with a long horizontal stroke extending to the right.