

**NOTICE TO MEMBERS – YOUR ATTENTION IS DRAWN TO THE STATEMENT SET OUT BELOW AND HEADED 'IMPORTANT INFORMATION AND NOTICE TO MEMBERS' WHICH EXPLAINS HOW TO SIGNIFY YOUR AGREEMENT TO THE PROPOSED WRITTEN RESOLUTION SET OUT BELOW AND THE LAPSE DATE**

**AQUARIUM CARD MANAGEMENT SOLUTIONS LIMITED  
(Company)**

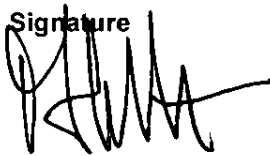
**Company Number: 07889909**

**WRITTEN RESOLUTION of the above named Company PASSED pursuant to the  
Provisions of Chapter 2, Part 13 of the Companies Act 2006**

**WE, the undersigned**, being all the members for the time being of the above named Company who are entitled to vote on the resolution set out below pass by writing the following resolution as a special resolution pursuant to the above mentioned provisions and all other powers in that behalf and declare that such resolution shall be for all purposes as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held

**WRITTEN SPECIAL RESOLUTION**

That the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

<b>Name of member</b>	<b>Number and Class of shares held</b>	<b>Signature</b>	<b>Date of signature</b>
Aquarium Software Ltd acting by its corporate representative	1 ordinary share of £0.01		11.12.2014

**The Circulation Date of this Written Resolution is [11 December] 2014**  
**Registered office: The Green Garage, 126 Ashley Road, Hale, Altrincham WA14 2UN**

**IMPORTANT INFORMATION AND NOTICE TO MEMBERS**

An ordinary resolution means a resolution that is passed by a simple majority

A written resolution is passed by a simple majority if it is passed by members representing a simple majority of the total voting rights of eligible members

A special resolution means a resolution passed by a majority of not less than 75%

A written resolution is passed by a majority of not less than 75% if it is passed by members representing not less than 75% of the total voting rights of eligible members

**THE ABOVE WRITTEN RESOLUTION WILL LAPSE IF NOT PASSED WITHIN 28 DAYS  
OF THE CIRCULATION DATE**

**TUESDAY**



A14 \*A3YIRB1M\* 06/01/2015 #22  
COMPANIES HOUSE

**YOU CAN CHOOSE TO AGREE TO ALL OF THE RESOLUTIONS OR NONE OF THEM BUT YOU CANNOT AGREE TO ONLY SOME OF THE RESOLUTIONS.**

**IF YOU AGREE TO THE ABOVE RESOLUTION, THEN YOU SHOULD SIGNIFY YOUR AGREEMENT AS FOLLOWS**

- **SIGN YOUR NAME WHERE INDICATED ABOVE AND DATE THE DOCUMENT**
- **RETURN THE SIGNED FORM TO THE COMPANY'S REGISTERED OFFICE BEFORE THE LAPSE DATE SET OUT ABOVE**

**YOU WILL BE REGARDED AS HAVING SIGNIFIED YOUR AGREEMENT TO THE ABOVE RESOLUTIONS WHEN THE SIGNED FORM HAS BEEN RECEIVED BY THE COMPANY**

**IF YOU DO NOT AGREE TO THE RESOLUTION, YOU DO NOT NEED TO DO ANYTHING: YOU WILL NOT BE DEEMED TO AGREE IF YOU FAIL TO REPLY**

Your agreement to a written resolution, once signified, may not be revoked

A written resolution is passed when the required majority of eligible members have signified their agreement to it

The 'eligible members' are the members who would have been entitled to vote on the resolution on the circulation date of the resolution

If the persons entitled to vote on a written resolution change during the course of the day that is the circulation date of the resolution, the eligible members are the persons entitled to vote on the resolution at the time that the first copy of the resolution is sent or submitted to a member for his agreement

**THE COMPANIES ACT 2006**  
**AQUARIUM CARD MANAGEMENT SOLUTIONS LIMITED**

**Company Number. 07889909**

**COPY**

**WRITTEN RESOLUTION**

Passed pursuant to the provisions of Chapter 2, Part 13 of the Companies Act 2006

On the [11] day of ~~October~~ 2014

**WRITTEN SPECIAL RESOLUTION**

That the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association

Director

A handwritten signature in black ink, consisting of several stylized, overlapping loops and a long horizontal stroke at the end.

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

AQUARIUM CARD MANAGEMENT SOLUTIONS LIMITED

(Adopted by special resolution passed on 11 December 2014)

## INTRODUCTION

### 1 Interpretation

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

<b>Act</b>	the Companies Act 2006,
<b>Adoption Date</b>	the date of adoption of these Articles,
<b>Aquarium Company</b>	means Aquarium Software Ltd (Company Number 5802151) and its subsidiaries from time to time,
<b>Articles</b>	the Company's articles of association for the time being in force,
<b>Available Profits</b>	profits available for distribution within the meaning of part 23 of the Act,
<b>Bad Leaver</b>	<p>an Employee Shareholder who becomes a Departing Employee Shareholder by reason of or in connection with his</p> <p>(a) fraud,</p> <p>(b) dishonesty,</p> <p>(c) gross misconduct, or</p> <p>(d) other conduct which justifies summary dismissal,</p>
<b>Business Day</b>	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,
<b>Call</b>	has the meaning given to it in article 22.4.1,
<b>Call Notice</b>	has the meaning given to it in article 22.4.1,

<b>Chairman</b>	has the meaning given to it in article 6 1,
<b>Companies Acts</b>	has the meaning given to it in the Act,
<b>Company</b>	means AQUARIUM CARD MANAGEMENT SOLUTIONS LIMITED (Company number 07889909),
<b>connected</b>	has the meaning given in sections 252 and 254 of the Act (as appropriate),
<b>Controlling Interest</b>	an interest in Shares conferring on the holder or holders control of the Company within the meaning of section 1124 of the Corporation Tax Act 2010,
<b>Deemed Transfer Notice</b>	a Transfer Notice which is deemed to have been served by any of the provisions of these Articles and/or any Relevant Agreement,
<b>Departing Employee Shareholder</b>	an Employee Shareholder who ceases to be a director or employee of any Aquarium Company and who does not continue as, or become, a director or employee of any other Aquarium Company,
<b>Directors</b>	the directors of the Company from time to time,
<b>Eligible Director</b>	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter),
<b>Employee Shareholder</b>	a Shareholder or Original Shareholder who is, or has been, a director and/or an employee of any Aquarium Company,
<b>Employee Share Scheme</b>	has the meaning given to it in section 1166 of the Act,
<b>Fair Value</b>	has the meaning given to it in article 16 2 and 16 3 (as appropriate),
<b>Financial Year</b>	an accounting reference period (as defined in section 391 of the Act) of the Company,
<b>Group</b>	the Company and its subsidiaries (if any) from time to time and <b>Group Company</b> shall be construed accordingly,
<b>holding company and subsidiary</b>	mean a "holding company" and "subsidiary" as defined in section 1159 of the Act and a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee) by way of security or in connection with the taking of security, or (b) its nominee,

<b>Independent Expert</b>	the auditors for the time being of the Company or, if they decline the instruction or there are no appointed auditors, an independent firm of accountants appointed by the Company and the Seller or, in the absence of agreement between the Company and the Seller on the identity of the expert or its terms of appointment within 10 Business Days of the expiry of the 20 Business Day period referred to in article 16 1 or any relevant period specified in a Relevant Agreement, an independent firm of accountants appointed, and whose terms of appointment are agreed, 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),
<b>Lien Enforcement Notice</b>	means a notice in writing which complies with the requirements of article 22 3 2,
<b>Member of the Same Group</b>	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,
<b>Minimum Transfer Condition</b>	has the meaning given to it in article 15 2 4,
<b>Model Articles</b>	the model articles for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229), as amended prior to the Adoption Date,
<b>Obligatory Transfer Event</b>	has the meaning given to it in article 17 2,
<b>Original Shareholder</b>	has the meaning given to it in article 14 1,
<b>Permitted Transfer</b>	a transfer of Shares made in accordance with article 14,
<b>Permitted Transferee</b>	in relation to <ul style="list-style-type: none"> <li>(a) a Shareholder who is an individual, any of his Privileged Relations,</li> <li>(b) a Shareholder which is a company, a Member of the Same Group as that company, and</li> <li>(c) a shareholder who is an individual, a company in which he has a Controlling Interest,</li> </ul> (which in any such case is not subject to an Obligatory Transfer Event),
<b>Privileged Relation</b>	in relation to a Shareholder who is an individual (or a deceased or former individual Shareholder) means a child (including a step, adopted or illegitimate child),
<b>Relevant Agreement</b>	means any agreement relating (in whole or in part) to the management and/or affairs of the Company which is binding from time to time on the Company

(in whole or in part) and the Shareholders (or some of them) and which (expressly or by implication) supplements and/or prevails over any provisions of these Articles,

**Relevant Securities**

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

- (a) the grant of any options under an Employee Share Scheme (and the issue of Shares on the exercise of any such options),
- (b) any Shares or other securities issued by the Company in order for the Company to comply with its obligations under these Articles and/or the Relevant Agreement, and
- (c) any Shares or other securities issued in consideration of the acquisition by the Company of any company or business which has been approved by Shareholder Consent in accordance with the Relevant Agreement,

**Restricted Shares**

has the meaning given to it in article 17 1,

**Sale Shares**

has the meaning given to it in article 15 2 1,

**Seller**

has the meaning given to it in article 15 2 (and shall be deemed to also include any Shareholder who is deemed to have given a Transfer Notice),

**Shareholder**

a holder for the time being of Shares,

**Shareholder Consent**

the prior consent in writing of a Shareholder Majority,

**Shareholder Majority**

the holder(s) for the time being of more than half of all Shares held by the Shareholders from time to time (for the avoidance of doubt, this may include the Shareholder(s) in respect of which the consent, restriction or relevant matter relates, unless prohibited by law or expressly stated otherwise),

**Shares**

shares (of any class) in the capital of the Company,

**Termination Date**

- (a) where employment ceases by virtue of notice given by the employer to the employee, the date on which such notice expires,
- (b) where a contract of employment is terminated by the employer and a payment is made in lieu of notice, the date on which notice of termination was served,
- (c) where an Employee Shareholder dies, the date of his death,
- (d) where the Employee Shareholder concerned is a director but not an employee, the date on

which his service agreement (or other terms of appointment) with the relevant Aquarium Company is terminated, or

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

save where such person continues to be employed or remains a director of any other Aquarium Company, in which case it shall be when the above takes place in respect of such employment or appointment and where the foregoing is no longer able to apply,

**Transfer Notice** has the meaning given to it in article 15 2, and

**Transfer Price** has the meaning given to it in article 16

1 2 A reference in these Articles to

1 2 1 an article is a reference to the relevant numbered article of these Articles, and

1 2 2 a model article is a reference to the relevant article of the Model Articles,

unless expressly provided otherwise

1 3 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles (but excluding any statutory modification of them not in force on the Adoption Date)

1 4 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles

1 5 In these Articles, words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa

1 6 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of

1 6 1 any subordinate legislation from time to time made under it, and

1 6 2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts

1 7 Any phrase introduced by the terms "including", "include", "in particular" or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms

## **2. Adoption of the Model Articles**

2 1 The Model Articles (together with those provisions of Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) referred to in article 22) 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), 11(2) and (3), 12, 13, 14(1) to (4) (inclusive), 16, 22, 26(5), 38, 39, 49 and 51 to 53 (inclusive) shall not apply to the Company
- 2 3 Model article 20 shall be amended by the insertion of the words "and the secretary" before the words "properly incur"
- 2 4 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 a Shareholder Majority, the number of Directors shall not be less than 2

### **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)
- 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 (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with Shareholder Consent)" following each reference to "the directors" in such model articles
- 4 6 Any Director may call a meeting of the Directors, or authorise the secretary (if any) to give such notice. At least 3 Business Days' advance notice of each such meeting shall be given to each Director
- 4 7 The quorum for any meeting (or, where specified below, part of a meeting) of the Directors shall (subject to article 4 8) be 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 Chairman determines (being not less than a date 10 Business Days following such adjournment). If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed and (subject to articles 7 and 8) be deemed to be quorate
- 4 8 For the purposes of any meeting (or part of a meeting) held pursuant to article 8 to authorise a Conflict (as defined in article 8 1), if there is only one Eligible Director in office other than

the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director

- 4 9 If the number of Directors in office for the time being is less than 2, 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 have a second or casting vote unless, in respect of a particular meeting (or part of a meeting), in accordance with the Articles, the Chairman (or other chairman of the meeting) is not an Eligible Director for the purposes of that meeting (or part of a meeting)

- 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

- 4 12 The Directors (acting with Shareholder Consent) may make any rule which they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

## **5 Appointment and removal of Directors**

- 5 1 A Shareholder Majority shall have the power from time to time to appoint any person as a Director or Directors either as an additional Director or Directors or to fill a vacancy and to remove from office any Director howsoever appointed. Any such appointment or removal shall be effected by an instrument in writing signed by the holder(s) making the same and shall take effect upon the lodgement at the registered office of the Company or such later date as may be specified in the instrument

- 5 2 Model article 18 shall be modified by the addition of the following event upon the occurrence of which a person shall cease to be a Director

5 2 1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other Directors resolve that he cease to be a Director,

5 2 2 in the case of an executive Director, he shall cease to be employed by the Company or other Aquarium Company and does not continue as an employee of any other Aquarium Company

## **6 Chairman**

- 6 1 The Directors may, with Shareholder Consent, appoint any person as chairman of the board of Directors (**Chairman**) and may, with Shareholder Consent, remove and replace any such Chairman. If the Chairman has not been appointed within one calendar month of the Adoption Date, or within one calendar month of the Chairman's resignation or removal, a Shareholder Majority shall be entitled to appoint a Chairman by notice in writing addressed to the Company. 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

## **7. Transactions or other arrangements with the Company**

- 7 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and

provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company

- 7 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested,
- 7 1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of the Directors) in respect of such existing or proposed transaction or arrangement in which he is interested,
- 7 1 3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested,
- 7 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,
- 7 1 5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- 7 1 6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

## **8. Directors' conflicts**

- 8 1 A Shareholder Majority (only) may, in accordance with the requirements set out in this article 8, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**)
- 8 2 Any authorisation under this article 8 will be effective only if, 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 Shareholders under the provisions of these Articles
- 8 3 Any authorisation of a Conflict under this article 8 may (whether at the time of giving the authorisation or subsequently)
  - 8 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,
  - 8 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,
  - 8 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,

- 8 3 4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as a Shareholder Majority thinks fit,
  - 8 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
  - 8 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
- 8 4 Where a Shareholder Majority authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by a Shareholder Majority in relation to the Conflict and the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms and conditions
- 8 5 A Shareholder Majority may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation
- 8 6 A Director 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 a Shareholder Majority in accordance with these Articles (subject to any terms and conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds
- 9 Secretary**
- The Directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the Directors so decide, appoint a replacement, in each case by a decision of the Directors

## **SHARES AND DISTRIBUTIONS**

### **10. Dividends and return of capital**

- 10 1 In respect of any Financial Year, such amount of the Available Profits of the Company as the Directors, acting with Shareholder Consent, determine shall be used to pay dividends (including interim dividends) as set out in this article 10
- 10 2 Subject to the Companies Acts, the Directors may pay dividends provided that
  - 10 2 1 the Available Profits of the Company justify the payment,
  - 10 2 2 the Company obtains Shareholder Consent to any such dividend, and
  - 10 2 3 such dividends are in accordance with any Relevant Agreement
- 10 3 Each dividend shall be distributed to the appropriate Shareholders pro rata according to the number of Shares held by them respectively All dividends are expressed net and shall be paid in cash

- 10 4 Except as otherwise provided by the Articles or the rights attached to Shares, all dividends must be
- 10 4 1 declared and paid according to the amounts paid up on the Shares on which the dividend is paid, and
- 10 4 2 apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid
- 10 5 If any Share is issued on terms providing that it ranks for dividend as from a particular date, that Share ranks for dividend accordingly
- 10 6 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount
- 10 7 A capitalised sum which was appropriated from profits available for distribution may be applied in or towards paying up any amounts unpaid on existing Shares held by the persons entitled
- 10 8 Upon a winding-up, return of assets on liquidation, capital reduction or otherwise (other than a conversion, redemption or purchase of Shares), the assets of the Company available for distribution to the Shareholders and after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) by distributing such amount among the Shareholders pro rata to the number of such Shares held by them

## **11 Voting and other rights**

Each Share shall confer on the Shareholder thereof the right to receive notice of, attend, speak and vote at all general meetings of the Company

## **12 Pre-emption rights on the issue of further Shares**

- 12 1 The Directors shall not, save with Shareholder Consent, exercise any power to allot Shares or to grant rights to subscribe for, or to convert any security into, any Shares
- 12 2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the Company
- 12 3 Save with Shareholder Consent if the Company proposes to allot any Relevant Securities, those Relevant Securities shall not be allotted to any person unless the Company has first offered them to the Shareholders on a pari passu basis and in the respective proportions that the number of Shares held by each Shareholder bears to the total number of Shares (as nearly as possible without involving fractions) and on the same terms, and at the same price, as those Relevant Securities are being, or are to be, offered to any other person. The pre-emption provisions set out in articles 12 3 to 12 7 (inclusive) may be disapplied at any time with Shareholder Consent and shall be disapplied if required by a Shareholder Majority
- 12 4 An offer made under article 12 3 shall
- 12 4 1 be in writing and give details of the number, class and subscription price (including any share premium) of the Relevant Securities being offered,
- 12 4 2 remain open for a period of at least 15 Business Days from the date of service of the offer, and
- 12 4 3 stipulate that any Shareholder who wishes to subscribe for a number of Relevant Securities in excess of the number to which he is entitled under article 12 3 shall,

in his acceptance, state the number of excess Relevant Securities (**Excess Securities**) for which he wishes to subscribe

- 12 5 If, on the expiry of an offer made in accordance with article 12 3, the total number of Relevant Securities applied for is less than the total number of Relevant Securities so offered, the Directors shall allot the Relevant Securities to the Shareholders in accordance with their applications, subject to a maximum of each Shareholder's proportionate entitlement
- 12 6 Any Relevant Securities not accepted by Shareholders pursuant to an offer made in accordance with article 12 3 shall be used to satisfy any requests for Excess Securities made pursuant to article 12 4 3 If there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants in the respective proportions that the number of Shares held by each such applicant bears to the total number of such Shares held by all applicants for Excess Securities (as nearly as possible without involving fractions or increasing the number of Excess Securities allotted to any Shareholder beyond that applied for by him)
- 12 7 If, after completion of the allotments referred to in article 12 5 and article 12 6, not all of the Relevant Securities have been allotted, the balance of such Relevant Securities shall, subject to article 12 8 be offered to any other person(s) as the Directors may, with Shareholder Consent, determine, at the same price and on the same terms as the offer to the Shareholders
- 12 8 No Shares shall be allotted to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003

### **13. Transfers of Shares general**

- 13 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
- 13 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 13 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 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 and, unless the Share is fully paid, by or on behalf of the transferee
- 13 3 If a Shareholder transfers (or purports to transfer) a Share other than in accordance with these Articles, he shall, save with Shareholder Consent to the contrary, be deemed to have immediately served a Transfer Notice in respect of all Shares held by him
- 13 4 Any transfer of a Share by way of sale which is required to be made under article 17 or article 18 shall be deemed to include a warranty that the transferor sells the Share with full title guarantee
- 13 5 The Directors may and shall, if requested by a Shareholder Majority, 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 Shareholders agreeing to be bound by the terms of the Relevant Agreement, in such form as set out in any such Relevant Agreement (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 13 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

13 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 a Shareholder Majority, require

13 6 1 any holder (or the legal representatives of a deceased holder), or

13 6 2 any person named as a transferee in a transfer lodged for registration, or

13 6 3 such other person as the Directors may reasonably believe to have information relevant to that purpose,

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

13 7 If any such information or evidence referred to in article 13 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 within 20 Business Days of receipt of such written notice, then, unless otherwise directed in writing by a Shareholder Majority

13 7 1 the relevant Shares shall cease to confer on the holder of them any rights

(i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,

(ii) to receive dividends or other distributions otherwise attaching to those Shares, or

(iii) to participate in any future issue of Shares issued in respect of those Shares, and

13 7 2 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 the consent of a Shareholder Majority) reinstate the rights referred to in article 13 7 1 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to this article 13 7

13 8 Unless expressly provided otherwise in these Articles, if a Transfer Notice is deemed to have been given under these Articles or any Relevant Agreement, the Deemed Transfer Notice shall be treated as having specified that

13 8 1 it does not contain a Minimum Transfer Condition, and

13 8 2 the relevant Shareholder 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)

13 9 Any Transfer Notice (but not a Drag Along Notice (as defined in article 18)) 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 Shareholder Consent to the contrary) automatically be revoked by the service of a Deemed Transfer Notice

- 13 10 No Shares shall be transferred to any current or prospective employee or director of any Group Company unless such person shall first have entered into a joint election with the relevant Group Company under section 431 of the Income Tax (Earnings and Pensions) Act 2003

#### **14 Permitted transfers of Shares**

- 14 1 A Shareholder may with Shareholder Consent transfer all or any of his or its Shares to a Permitted Transferee (the transferor being the **Original Shareholder**) and the Permitted Transferee may transfer all or any of his or its Shares to the Original Shareholder (where he or it is not subject to an Obligatory Transfer Event and without Shareholder Consent

- 14 2 If the Original Shareholder is a company, and a Permitted Transfer has been made, the Permitted Transferee shall, within 15 Business Days of ceasing to be a Member of the Same Group as the Original Shareholder, transfer the Shares held by it to

14 2 1 the Original Shareholder, or

14 2 2 a Member of the Same Group as the Original Shareholder,

(which in either case is not subject to an Obligatory Transfer Event), without any price or other restriction. If the Permitted Transferee fails to make a transfer in accordance with this article 14 2, then, unless otherwise directed in writing by a Shareholder Majority

14 2 3 the relevant Shares shall cease to confer on the holder of them any rights

- (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
- (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
- (iii) to participate in any future issue of Shares issued in respect of those Shares, and

14 2 4 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 the notice)

The Directors may (with the consent of a Shareholder Majority) reinstate the rights referred to in article 14 2 3 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to this article 14 2

- 14 3 If the Original Shareholder is an individual and a Permitted Transfer has been made to a Privileged Relation of the Original Shareholder or to a company in which the Original Shareholder has a Controlling Interest, the Permitted Transferee (or the transmittee(s) of any such person), shall within 15 Business Days of ceasing to be a Privileged Relation of the Original Shareholder (whether by reason of death or otherwise) or within 15 Business Days of the Original Shareholder ceasing to have a Controlling Interest in such Permitted Transferee (as appropriate) either

14 3 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder or to any Permitted Transferee of the Original Shareholder (who is not in either case subject to an Obligatory Transfer Event) for such consideration as may be agreed between them, or

14 3 2 give a Transfer Notice to the Company in accordance with article 15,



failing which, unless otherwise directed in writing by a Shareholder Majority

14 3 3 the relevant Shares shall cease to confer on the holder of them any rights

- (i) to vote (whether on a show of hands, on a poll or otherwise and whether in person, by proxy or otherwise), including in respect of any resolution of any class of Shares,
- (ii) to receive dividends or other distributions otherwise attaching to those Shares, or
- (iii) to participate in any future issue of Shares issued in respect of those Shares, and

14 3 4 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 the notice)

The Directors may (with the consent of a Shareholder Majority) reinstate the rights referred to in article 14 3 3 at any time and, in any event, such rights shall be reinstated on completion of a transfer made pursuant to this article 14 3

14 4 Notwithstanding any other provision of these Articles, a transfer of any Shares approved by the Directors (acting with Shareholder Consent) may be made without any price or other restriction and any such transfer shall be registered by the Directors

## 15. Pre-emption rights on the transfer of Shares

15 1 Except where the provisions of article 14, article 18 or article 19 apply, any transfer of Shares by a Shareholder shall be subject to the pre-emption rights in this article 15

15 2 A 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

15 2 1 subject to article 13 8 2, the number of Shares he wishes to transfer (**Sale Shares**),

15 2 2 the name of the proposed transferee, if any,

15 2 3 subject to article 16, the price per Sale Share (in cash), if any, at which he wishes to transfer the Sale Shares (the **Proposed Sale Price**), and

15 2 4 subject to article 13 8 1, whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold (a **Minimum Transfer Condition**)

15 3 Except in the case of a Deemed Transfer Notice (which may not be withdrawn), where the Transfer Price of the Sale Shares comprised within a Transfer Notice is to be the Fair Value and such Fair Value is less than the Proposed Sale Price the Seller may, within 10 Business Days of receipt of notification of the Fair Value, withdraw the Transfer Notice. Otherwise, a Transfer Notice may only be withdrawn with Shareholder Consent

15 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

15 5 As soon as practicable following the later of

15 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

15 5 2 the determination of the Transfer Price,

the Directors shall (unless the Transfer Notice is withdrawn in accordance with article 15 3) offer the Sale Shares for sale in the manner set out in the remaining provisions of this article 15 at the Transfer Price. Each offer shall be in writing and give details of the number and Transfer Price of the Sale Shares offered

15 6 The Directors shall offer the Sale Shares to the Shareholders (other than the Seller), inviting them to apply in writing for the maximum number of Sale Shares they wish to buy, and such offer shall remain open for the period from the date of the offer to the date 20 Business Days after the offer (both dates inclusive) (the **Offer Period**)

15 7 If

15 7 1 at the end of the Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Directors shall allocate the Sale Shares to each 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 all Shareholders that have applied for the 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 shall be determined by the Directors (acting reasonably)). No allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy,

15 7 2 not all Sale Shares are allocated following allocations in accordance with article 15 7 1, but there are applications for Sale Shares that have not been satisfied, the Directors shall allocate the remaining Sale Shares to such applicants in accordance with the procedure set out in article 15 7 1. The procedure set out in this article 15 7 2 shall apply on any number of consecutive occasions until either all Sale Shares have been allocated or all applications for Sale Shares have been satisfied, and

15 7 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 Directors shall allocate the Sale Shares applied for to the Shareholders in accordance with their applications. The balance (the **Surplus Shares**) shall, subject to article 15 8, be offered to any other person in accordance with article 15 12

15 8 Where the Transfer Notice contains a Minimum Transfer Condition

15 8 1 any allocation made under article 15 6 to article 15 7 (inclusive) shall be conditional on the fulfilment of the Minimum Transfer Condition, and

15 8 2 if the total number of Sale Shares applied for under article 15 6 to article 15 7 (inclusive) is less than the number of Sale Shares constituting the Minimum Transfer Condition, the Directors shall notify the Seller and all those Shareholders to whom Sale Shares have been conditionally allocated stating that the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

15 9 Where either

15 9 1 the Transfer Notice does not contain a Minimum Transfer Condition, or

15 9 2 sufficient allocations have been made to meet or exceed the Minimum Transfer Condition,

the Directors shall, when no further offers or allocations are required to be made under article 15 6 to article 15 7 (inclusive), give notice in writing of the allocations of Sale Shares (an **Allocation Notice**) to the Seller and the Shareholders (as appropriate) to whom Sale Shares have been allocated (each an **Applicant**). The Allocation Notice shall specify the number of Sale Shares allocated to each Applicant and the place and time for completion of the transfer of the Sale Shares (which shall be at least 5 Business Days, but not more than 20 Business Days, after the date of the Allocation Notice)

15 10 On the date specified for completion in the Allocation Notice, the Seller shall, against payment from an Applicant, transfer the Sale Shares allocated to such Applicant, in accordance with any requirements specified in the Allocation Notice

15 11 If the Seller fails to comply with article 15 10

15 11 1 the Chairman (or, failing him, any other Director or some other person nominated by a resolution of the Directors) may, as agent and attorney on behalf of the Seller

- (i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,
- (ii) receive the Transfer Price and give a good discharge for it (and no Applicant shall be obliged to see to the distribution of the Transfer Price), and
- (iii) (subject to the transfer being duly stamped, as appropriate) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

15 11 2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered his certificate(s) for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Directors, in respect of any lost certificate, together with such other evidence (if any) as the Directors may reasonably require to prove good title to those Shares) to the Company

15 12 Where an Allocation Notice does not relate to all the Sale Shares or the Transfer Notice lapses pursuant to article 15 8 2 then, subject to article 15 13, the Seller may, at any time during the 120 Business Days following

15 12 1 the date of lapse of the Transfer Notice, transfer the Sale Shares (in the case of a lapsed offer), or

15 12 2 the date of service of the Allocation Notice, transfer the unallocated Surplus Shares (as the case may be),

to any person at a price at least equal to the Transfer Price. The sale of the Sale Shares (following the lapse of a Transfer Notice) in accordance with this article 15 12 shall continue to be subject to any Minimum Transfer Condition

15 13 The Seller's right to transfer Shares under article 15 12 does not apply if the Directors reasonably consider that

15 13 1 the transferee is a person (or a nominee for a person) whom a Shareholder Majority determines to be a competitor (or a Member of the Same Group as a competitor) of the business of any Group Company,

15 13 2 the Directors reasonably consider that the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee, or

15 13 3 the Seller has failed or refused to promptly provide information available to him

and reasonably requested to enable it to form the opinion referred to in article 15 13 2

**16. Valuation**

- 16 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 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
- 16 2 The Fair Value shall be (subject to article 16 3) the price per Sale Share determined by the Independent Expert on the following bases and assumptions
- 16 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),
- 16 2 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,
- 16 2 3 that the Sale Shares are capable of being transferred without restriction,
- 16 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 with no premium or discount for the size of the Shareholding or for the rights or restrictions applying to the Shares, and
- 16 2 5 reflecting any other factors which the Independent Expert reasonably believes should be taken into account
- 16 3 Where the Shareholder or Original Shareholder is a Bad Leaver or is subject to an Obligatory Transfer Event, the Fair Value price per Sale Share shall be 50% of the Fair Value determined in accordance with article 16 2
- 16 4 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
- 16 5 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
- 16 6 The Company and the Seller shall be entitled to make written submissions to the Independent Expert 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
- 16 7 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)
- 16 8 The Independent Expert shall be requested to determine the Fair Value within 20 Business Days of its appointment and to deliver its certificate to the Company. Forthwith upon receipt, the Company shall deliver a copy of the certificate to the Seller

16 9 The cost of obtaining the Independent Expert's certificate shall be borne by the Company and the Seller equally or in such other proportions as the Independent Expert directs unless

16 9 1 the Seller withdraws the relevant Transfer Notice in accordance with article 15 3, or

16 9 2 in respect of a Deemed Transfer Notice, the Fair Value is less than the price per Sale Share offered to the Seller by the Directors before the appointment of the Independent Expert,

in which case the Seller shall bear the cost

16 10 Notwithstanding the provisions of article 16 3, a Shareholder Majority may, by notice in writing served on the Company and the relevant Seller(s), direct that some higher (but not lower) Transfer Price shall apply to any or all Sale Shares which would otherwise be subject to article 16 3 (provided that it shall not exceed the Fair Value as determined under article 16 2)

## 17. Compulsory transfers

17 1 Forthwith upon a Transfer Notice being deemed to be served under this article 17 or any Relevant Agreement, the Shares subject to the relevant Deemed Transfer Notice (the **Restricted Shares**) shall, unless otherwise directed in writing by a Shareholder Majority, cease to confer on the holder of them any rights

17 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,

17 1 2 to receive dividends or other distributions otherwise attaching to those Shares, or

17 1 3 to participate in any future issue of Shares issued in respect of those Shares

The Directors may (with Shareholder Consent) reinstate the rights referred to in article 17 1 at any time and, in any event, such rights shall be reinstated in respect of any Shares transferred pursuant to the Deemed Transfer Notice

17 2 If any of the following events (**Obligatory Transfer Events**) happen to a Shareholder or an Original Shareholder, the relevant Shareholder or (where the Obligatory Transfer Event happens in relation to an Original Shareholder) the Original Shareholder and all Permitted Transferees of the Original Shareholder (in this article, the **Seller**) shall, unless directed otherwise by a Shareholder Majority, be deemed to have served a Transfer Notice in respect of the Shares held by the Seller (including any Shares acquired by the Seller after the date the relevant Transfer Notice is deemed served but before completion of the transfer of Shares pursuant to the relevant Transfer Notice) on the Company and the other Shareholders other than the Seller (or any other Seller) (in this article, the **Buyer**) as soon as possible, which shall include details of the Obligatory Transfer Event

17 2 1 the passing of a resolution for the liquidation of the Shareholder or Original Shareholder other than a solvent liquidation for the purpose of the reconstruction or amalgamation (the structure of which has been previously approved by a Shareholder Majority in writing) in which a new company assumes (and is capable of assuming) all the obligations of the Shareholder or Original Shareholder, or

17 2 2 the presentation at court by any competent person of a petition for the winding up of the Shareholder, or Original Shareholder and which has not been withdrawn or dismissed within seven days of such presentation, or

17 2 3 a change of control (as control is defined in section 1124 of the Corporation Tax

Act 2010) of the Shareholder or Original Shareholder although in the case of a Permitted Transferee, it shall first be permitted to transfer the Shares back to the Original Shareholder or to another Permitted Transferee in accordance with article 14 2 before a Transfer Notice is deemed served under this article, or

- 17 2 4 the issue at court by any competent person of a notice of intention to appoint an administrator to the Shareholder or Original Shareholder, a notice of appointment of an administrator to the Shareholder or Original Shareholder or an application for an administration order in respect of the Shareholder or Original Shareholder, or
- 17 2 5 any step is taken by any person to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the Shareholder or Original Shareholder, or
- 17 2 6 the Shareholder or Original Shareholder being unable to pay its debts as they fall due or having no reasonable prospect of so doing whether for the purposes of section 123 of the Insolvency Act 1986, Section 268 of the Insolvency Act 1986 or otherwise, or
- 17 2 7 the Shareholder or Original Shareholder entering into a composition or arrangement with its creditors or commencing negotiations with all or any of his creditors with a view to rescheduling debts, or
- 17 2 8 a creditor or encumbrancer of the Shareholder or Original Shareholder attaches or takes possession of, or a distress, execution, sequestration or other such process is levied or enforced on or sued against, the whole or any part of the Shareholders' or Original Shareholder's assets and such attachment or process is not discharged within 10 Business Days, or
- 17 2 9 any chargor taking any step to enforcing any charge created over any shares held by the Shareholder or Original Shareholder in the Company, or
- 17 2 10 a process having been instituted that could lead to the Shareholder or Original Shareholder being dissolved and its assets being distributed among the Shareholder's or Original Shareholder's creditors, shareholders or other contributors, or
- 17 2 11 the Shareholder or Original Shareholder ceasing to carry on its business or substantially all of its business, or
- 17 2 12 the Shareholder or Original Shareholder suffers a bankruptcy,
- 17 2 13 the Shareholder or Original Shareholder dies,
- 17 2 14 the Shareholder or Original Shareholder becomes a Departing Employee Shareholder (in which case the Deemed Transfer Notice is deemed served on the Termination Date),
- 17 2 15 the Shareholder or Original Shareholder committing a material or persistent breach of any Relevant Agreement to which it is a party in relation to the Shares which if capable of remedy has not been so remedied within 20 Business Days of the other Shareholders requiring such remedy or (without prejudice to the foregoing) being deemed to have served a Transfer Notice pursuant to the Relevant Agreement, or
- 17 2 16 in the case of the Obligatory Transfer Events set out in articles 17 2 1 to 17 2 9 and article 17 2 12 above, any competent person takes any analogous step in any jurisdiction in which the Shareholder or Original Shareholder carried on business or an equivalent event or procedure happens in any other jurisdiction outside England and Wales

If the Seller fails to serve a Transfer Notice, it shall be regarded as giving a Deemed Transfer Notice in relation to their Shares on the date on which the other Shareholders (other than any other Seller) become aware of the Obligatory Transfer Event

- 17 3 If a Share remains registered in the name of a deceased Shareholder for longer than one year after the date of his death, the Directors may require the legal personal representatives of that deceased Shareholder either

17 3 1 to effect a Permitted Transfer of those Shares (including an election to be registered in respect of the Permitted Transfer), or

17 3 2 to show, to the satisfaction of the Directors that a Permitted Transfer will be effected before (or promptly on) the completion of the administration of the estate of the deceased Shareholder

If either article 17 3 1 or article 17 3 2 is not fulfilled to the satisfaction of the Directors, a Transfer Notice shall be deemed to have been given in respect of each such Share

- 17 4 As soon as practicable after service, or deemed service, of the Transfer Notice, the Fair Value of the Seller's Shares shall be determined

- 17 5 Any Transfer Notice deemed served in accordance with this article 17 shall include any Shares acquired by the Seller after the date the Transfer Notice is deemed served but before completion of the transfer of the Shares pursuant to this article 17

- 17 6 If the Seller fails to complete the transfer of Shares as required under this article, without prejudice to article 15 11, the Company

17 6 1 is irrevocably authorised to appoint any person as agent (and attorney) to transfer the Shares on the Seller's behalf and to do anything else that the Buyer may reasonably require to complete the sale, and

17 6 2 may receive the purchase price in trust for the Seller, giving a receipt that shall discharge the Buyer

## 18 Drag along

- 18 1 If a Shareholder Majority (the **Selling Shareholders**) wish to transfer all of their interest in the Shares (**Sellers' Shares**) to a bona fide arm's-length purchaser (**Proposed Buyer**) (other than a transfer made pursuant to article 14), the Selling Shareholders shall have the option (**Drag Along Option**) to require all the other holders of Shares on the date of the request (**Called Shareholders**) to sell and transfer all their interest in Shares with full title guarantee to the Proposed Buyer (or as the Proposed Buyer may direct) in accordance with the provisions of this article 18

- 18 2 The Selling Shareholders may exercise the Drag Along Option by giving notice in writing to that effect (a **Drag Along Notice**), at any time before the completion of the transfer of the Sellers' Shares, to the Proposed Buyer and each Called Shareholder. A Drag Along Notice shall specify

18 2 1 that the Called Shareholders are required to transfer all their Shares (**Called Shares**) pursuant to this article 18,

18 2 2 the identity of the Proposed Buyer (and, if relevant, the transferee(s) nominated by the Proposed Buyer),

18 2 3 the consideration payable for the Called Shares calculated in accordance with article 18 4 which shall, for each Called Share, be an amount at least equal to the price per Share offered by the Proposed Buyer for the Sellers' Shares,

18.2.4 the proposed date of completion of transfer of the Called Shares

- 18.3 Once given, a Drag Along Notice may not be revoked save with the prior consent of the Directors, acting with Shareholder Consent. However, a Drag Along Notice shall lapse if, for any reason, the Selling Shareholders have not completed the transfer of all the Sellers' Shares to the Proposed Buyer (or as the Proposed Buyer may direct) within 60 Business Days of serving the Drag Along Notice (including the 60<sup>th</sup> Business Day). The Selling Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 18.4 The consideration (in cash or otherwise) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Buyer were distributed to the holders of the Called Shares and the Sellers' Shares on the basis that they rank *pari passu* and as if they constituted Shares of the same class.
- 18.5 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in article 13 and this article 18.
- 18.6 Completion of the sale and purchase of the Called Shares shall take place on the same date as, and conditional upon the completion of, the sale and purchase of the Sellers' Shares unless all of the Called Shareholders and the Selling Shareholders otherwise agree (the date of completion being **Completion**).
- 18.7 Prior to Completion, 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 Completion the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are respectively due pursuant to this article 18 to the extent the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the amounts due shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 18.8 To the extent that the Proposed Buyer has not, prior to or on Completion, put the Company in funds to pay the amounts due, 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 18 in respect of their Shares (unless a further Drag Along Notice is served).
- 18.9 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 Shareholders 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 18.
- 18.10 Upon any person, following the issue of a Drag Along Notice, becoming a Shareholder (a **New 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 Scheme, a Drag Along Notice shall be deemed to have been served in respect of the increased shareholding and/or 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 to the Proposed Buyer (or as the Proposed Buyer may direct) and the provisions of this article



18 shall apply mutatis mutandis in respect of the increased shareholding and/or 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 in respect of the increased shareholding and/or to the New Shareholder and the date of completion of the sale of the Called Shares

18 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 15

18 12 Any Transfer Notice but not a 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

## **19. Tag Along Rights on a Change of Control**

19 1 Except in the case of transfers pursuant to article 17, the provisions of article 19 2 to article 19 5 shall apply if, in one or a series of related transactions, one or more Shareholders propose to transfer any of the Shares (**Proposed Transfer**) which would, if carried out, result in any person (other than an existing Shareholder) (**Buyer**), and any person (other than a person who was a Shareholder at the time of the first of the related transactions) acting in concert (as defined in the City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time) (**Acting in Concert**) with the Buyer, acquiring a Controlling Interest in the Company

19 2 Before making a Proposed Transfer, a Shareholder shall procure that the Buyer makes an offer (**Offer**) to

19 2 1 the other Shareholders to purchase all of the Shares held by them,

19 2 2 the holders of any existing options to acquire Shares (granted by the Company or under any share option arrangements established by the Company) that are already capable of exercise or that are expected to become capable of exercise before the Proposed Transfer, to purchase any Shares acquired on the exercise of options at any time before the Proposed Transfer, and

19 2 3 the holders of any securities of the Company that are convertible into Shares (**Convertible Securities**), to purchase any Shares arising from the conversion of such Convertible Securities at any time before the Proposed Transfer,

for a consideration in cash per Share that is at least equal to the highest price per Share offered or paid by the Buyer, or any person Acting in Concert with the Buyer, in the Proposed Transfer or in any related previous transaction in the 12 months preceding the date of the Proposed Transfer (**Specified Price**)

19 3 The Offer shall be made by written notice (**Offer Notice**), at least 15 Business Days before the proposed sale date (**Sale Date**) To the extent not described in any accompanying documents, the Offer Notice shall set out

19 3 1 the identity of the Buyer,

19 3 2 the Specified Price and other terms and conditions of payment,

19 3 3 the Sale Date, and

19 3 4 the number of Shares proposed to be purchased by the Buyer (**Offer Shares**)

19 4 If the Buyer fails to make the Offer to all of the persons listed in article 19 2 in accordance with article 19 2 and article 19 3, the Shareholders shall not be entitled to complete the

Proposed Transfer and the Company shall not register any transfer of Shares effected in accordance with the Proposed Transfer

- 19 5 If the Offer is accepted by any Shareholder (**Accepting Shareholder**) in writing within 10 Business Days of receipt of the Offer Notice, the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Offer Shares held by Accepting Shareholders
- 19 6 The Proposed Transfer is, but the purchase of Shares from Accepting Shareholders pursuant to an Offer Notice under this article 19 shall not be subject to the pre-emption provisions of article 15
- 19 7 Upon any person, following the making of an offer, becoming a Shareholder (a **New 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 convert any security into Shares, whether or not pursuant to an Employee Share Scheme, an Offer shall be deemed to have been made in respect of the increased shareholding and/or upon the New Shareholder, on the same terms as the previous Offer, who shall then be entitled to sell and transfer all such Shares acquired by him to the Buyer, and the provisions of this article 19 shall apply mutatis mutandis in respect of the increased shareholding and/or to the New Shareholder, save that completion of the sale of such Shares shall take place forthwith upon the later of the Offer Notice being deemed served on the New Shareholder and/or in respect of the increased shareholding and the date of completion of the Offer

## **DECISION-MAKING BY SHAREHOLDERS**

### **20. General meetings**

- 20 1 No business other than, subject to article 20 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 Two members present in person or by proxy (or, in the case of a corporate member, by representative) holding a Shareholder Majority shall be a quorum for all purposes 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 Chairman determines (being a date not less than 20 Business Days following such adjournment) If a quorum is not present at any such adjourned meeting within 30 minutes from the time appointed, then the meeting shall proceed and be deemed quorate provided that member(s) holding a Shareholder Majority is/are present in person or by proxy (or in the case of a corporate member by representative)
- 20 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

### **21 Voting**

- 21 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
- 21 2 Model article 44(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that model article
- 21 3 Model article 45(1) shall be amended by

- 21 3 1 the deletion of model article 45(1)(d) and its replacement with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate", and
- 21 3 2 the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that model article
- 21 4 No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, unless all amounts payable to the Company in respect of that Share have been paid
- 22 Lien, calls on shares and forfeiture**
- 22 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
- 22 2 The provisions of articles 52(2) and (3), 55, 56(2), 57(2), (3) and (4), 59, 60(1), (2) and (3), 61 and 62 for public companies set out in Schedule 3 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) shall apply to the Company, save that each reference in those articles to a "member" or "members" shall be deemed to be references to a "Shareholder" or "Shareholders" (as the case may be)
- 22 3 Enforcement of the Company's Lien**
- 22 3 1 Subject to the provisions of this article 22 3, if
- (i) a Lien Enforcement Notice has been given in respect of a Share, and
  - (ii) the person to whom the notice was given has failed to comply with it,
- the Company may sell that Share in such manner as the Directors decide
- 22 3 2 A Lien Enforcement Notice
- (i) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
  - (ii) must specify the Share concerned,
  - (iii) must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
  - (iv) must be addressed either to the holder of the Share or to a transmittee of that holder, and
  - (v) must state the Company's intention to sell the Share if the notice is not complied with
- 22 3 3 Where Shares are sold under this article 22 3

- (i) the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and
  - (ii) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale
- 22 3 4 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied
  - (i) first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
  - (ii) second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice
- 22 3 5 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's Lien on a specified date
  - (i) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
  - (ii) subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share
- 22 4 **Call notices**
  - 22 4 1 Subject to the Articles and the terms on which Shares are allotted, the Directors may send a notice (a **Call Notice**) to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a **Call**) which is payable to the Company at the date when the Directors decide to send the Call Notice
  - 22 4 2 A Call Notice
    - (i) may not require a Shareholder to pay a Call which exceeds the total amount of his indebtedness or liability to the Company,
    - (ii) must state when and how any Call to which it relates is to be paid, and
    - (iii) may permit or require the Call to be made in instalments
  - 22 4 3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent
  - 22 4 4 Before the Company has received any Call due under a Call Notice the Directors may
    - (i) revoke it wholly or in part, or
    - (ii) specify a later time for payment than is specified in the notice,

by a further notice in writing to the Shareholder in respect of whose Shares the Call is made

22 4 5 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share

- (i) on allotment,
- (ii) on the occurrence of a particular event, or
- (iii) on a date fixed by or in accordance with the terms of issue

## 22 5 **Forfeiture**

22 5 1 If a person is liable to pay a Call and fails to do so by the Call payment date

- (i) the Directors may issue a notice of intended forfeiture to that person, and
- (ii) until the Call is paid, that person must pay the Company interest on the Call from the Call payment date at the relevant rate

22 5 2 A notice of intended forfeiture

- (i) may be sent in respect of any Share in respect of which a Call has not been paid as required by a Call Notice,
- (ii) must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder,
- (iii) must require payment of the Call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires),
- (iv) must state how the payment is to be made, and
- (v) must state that if the notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

22 6 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all Calls, interest and expenses due in respect of it and on such other terms as they think fit

## **ADMINISTRATIVE ARRANGEMENTS**

### **23. Notices**

23 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient

23 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five Business Days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the

courier service provider),

23 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address, and

23 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied

For the purposes of this article 23 1, no account shall be taken of any part of a day that is not a Business Day

23 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

## **24. Indemnity and insurance**

24 1 Subject to article 24 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled

24 1 1 each Relevant Officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer

(i) in the actual or purported execution and/or discharge of his duties, or in relation thereto, and

(ii) in relation to the Company's activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

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

24 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 24 1 and otherwise may take any action to enable such Relevant Officer to avoid incurring such expenditure

24 2 This article 24 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

24 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any Relevant Loss

24 4 In this article 24

24 4 1 **Relevant Loss** means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer's duties or powers in relation to the Company (or other Group Company) or any pension fund or Employees Share Scheme of the Company (or other Group Company), and

24 4 2 **Relevant Officer** means any director or other officer or former director or other officer of any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but

excluding in each case any person engaged by a Group Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

**25 Data protection**

- 25 1 Each of the Shareholders and Directors (from time to time) consents to the processing of his personal data by the Company, its Shareholders and Directors (each a **Recipient**) for the purposes of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually
- 25 2 The personal data that may be processed for such purposes under this article 25 shall include any information which may have a bearing on the prudence or commercial merits of investing in, or disposing of any Shares (or other investment or security) in, the Company. Save as required by law, court order or any regulatory authority, that personal data shall not be disclosed by a Recipient or any other person, except to
- 25 2 1 a Member of the Same Group as the Recipient (each a Recipient Group Company), and
- 25 2 2 employees, directors and professional advisers of that Recipient or any Recipient Group Company
- 25 3 Each of the Shareholders and Directors consent (from time to time) to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient, both within and outside the European Economic Area, for the purposes stated above, where it is necessary or desirable to do so