

Company no. 10840499

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of


INFINITY CHRISTMAS TREES LTD
(the "Company")

Date of the Resolution: 6 February 2019

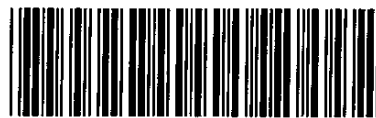
The following resolution was agreed to as a written resolution of the Company pursuant to Chapter 2 of Part 13 of the Companies Act 2006, which would otherwise have been required to be passed as a special resolution:

SPECIAL RESOLUTION

THAT the articles of association contained in the printed document attached to this resolution be and the same are hereby approved and adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.


.....
Director

TUESDAY



A16 *A7Z55UF2* #240
12/02/2019
COMPANIES HOUSE

THE COMPANIES ACT 2006

ARTICLES OF ASSOCIATION OF

INFINITY CHRISTMAS TREES LTD

COMPANY REGISTRATION NO: 10840499

ADOPTED BY SPECIAL RESOLUTION

PASSED ON 6 FEBRUARY 2019

INTERPRETATION AND DEFINED TERMS

1 Interpretation and defined terms

1.1 In these Articles, unless the context otherwise requires:

Act: means the Companies Act 2006;

Appointor: has the meaning given in Article 9.1;

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

Bankruptcy: includes insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;

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

Conflict: means a situation in which a director has or can have, a direct or indirect interest that conflicts or possibly may conflict, with the interests of the Company;

Continuing Shareholders: has the meaning given in Article 17.2;

Director: means a director of the Company and includes any person occupying the position of director, by whatever name called;

Document: includes, unless otherwise specified, any document sent or supplied in electronic form;

Electronic form: has the meaning given in section 1168 of the Act;

Eligible Director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding in relation to the authorisation of a Conflict pursuant to Article 6, any director whose vote is not to be counted in respect of the particular matter);

Entitlement: has the meaning given in Article 17.2;

Fair Value: means the fair value of the Sale Shares as determined pursuant to Article 21;

Family Trusts means in relation to an individual shareholder, a trust or settlement set up wholly for the benefit of that individual shareholder and/or his Privileged Relations;

Interested Director: has the meaning given in Article 6.1;

Member of the Same Group: means as regards any company, a subsidiary of that company, a company which is from time to time its holding company, and any other subsidiary of any such holding company;

Model Articles: means the model articles for private companies limited by guarantee contained in Schedule 2 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles and reference to a numbered "**Model Article**" is a reference to that article of the Model Articles;

ordinary resolution: has the meaning given in section 282 of the Act;

Original Shareholder: has the meaning given in Article 16.1;

participate: in relation to a director's meeting, has the meaning given in Model Article 10;

Permitted Transfer: means a transfer of shares in accordance with Article 16;

Permitted Transferee: means in relation to a shareholder:

- (a) who is an individual, any of his Privileged Relations, Family Trusts or the trustees of those Family Trusts; or
- (b) that is a company:
 - (i) any Member of the Same Group; or
 - (ii) a director of or shareholder in that company as at the date of adoption of these Articles (a **Company Transferee**); or
 - (iii) the spouse, civil partner, widow or widower of a Company Transferee and the Company Transferee's children and grandchildren (including step and adopted children) provided they are aged 18 years or over, and step and adopted children of the Company Transferee's children provided they are aged 18 years or over (a **Company Relation**); or
- (c) who holds shares on behalf of the partners in a partnership, any of the other partners in that partnership from time to time.

Price Notice: has the meaning given in Article 17.3;

Privileged Relation: means the spouse, civil partner, widow or widower of a shareholder and the shareholder's children and grandchildren (including step and adopted children) provided they are aged 18 years or over, and step and adopted children of the shareholder's children provided they are aged 18 years or over;

Proposed Sale Price: has the meaning given in Article 17.2;

proxy notice: has the meaning given in Model Article 31;

Sale Price: means the Proposed Sale Price or, if the Fair Value has been determined pursuant to Article 21, the **Sale Price** shall mean the Fair Value;

Sale Shares: has the meaning given in Article 17.2;

secretary: means the secretary of the Company and any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

Seller: has the meaning given in Article 17.2;

special resolution: has the meaning given in section 283 of the Act;

subsidiary: has the meaning given in section 1159 of the Act;

Transfer Notice: has the meaning given in Article 17.2;

Valuers: the accountants or auditors for the time being of the Company or, if they decline the instruction, an independent firm of accountants appointed by the Seller and by the Continuing Shareholders or, in the absence of agreement between them on the identity of the expert within five Business Days of the expiry of the 10 Business Day period following service of a Price Notice, 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).

writing: means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **article** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute or statutory provision shall include any subordinate legislation from time to time made under that statute or statutory provision.
- 1.6 Any word 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 preceding those terms.
- 1.7 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles.
- 1.8 The following Model Articles shall not apply to the Company:
 - 1.8.1 1 (Interpretation and Defined terms);
 - 1.8.2 8 (Unanimous decisions);
 - 1.8.3 9(1) and (3) (Calling a directors' meeting);
 - 1.8.4 11(2) and (3) (Quorum for directors' meeting);
 - 1.8.5 13 (Casting vote);
 - 1.8.6 14 (1), (2), (3) and (4) (Conflicts of interest);
 - 1.8.7 17(2) (Methods of appointing directors);
 - 1.8.8 44 (Poll votes);
 - 1.8.9 45 (Content of proxy notices);
 - 1.8.10 49 (Company seals);
 - 1.8.11 32 (Indemnity);
 - 1.8.12 53 (Insurance).
- 1.9 Model Article 7 (Directors to take decisions collectively) shall be amended by:

- 1.9.1 the insertion of the words "for the time being" at the end of Model Article 7(2)(a); and
- 1.9.2 the insertion in Model Article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".

DIRECTORS

2 Decisions of the Board

- 2.1 A decision of the directors is taken in accordance with this article when a majority of all Eligible Directors indicate to each other by any means that they are in favour of the matter or decision of the Board.
- 2.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 2.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at such a meeting.

3 Calling a directors' meeting

- 3.1 Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the secretary (if any) to give such notice which will be not less than 14 days in advance and in writing.
- 3.2 A director who is absent from the UK and who has no registered address in the UK shall not be entitled to notice of the directors' meeting.

4 Quorum for directors' meetings

- 4.1 Subject to Article 4.2, the quorum for the transaction of business at a meeting of directors is any three Eligible Directors.
- 4.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 6 to authorise a Conflict, if there is only one Eligible Director in office other than the Interested Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.3 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
 - 4.3.1 to appoint further directors; or
 - 4.3.2 to call a general meeting so as to enable the Members to appoint further directors.

5 Casting vote

If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting shall have a casting vote.

6 Directors' conflicts of interest

- 6.1 The directors may, in accordance with the requirements set out in this article, authorise any Conflict proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty to avoid conflicts of interest under section 175 of the Act.

- 6.2 Any authorisation under this Article 6 shall be effective only if:
- 6.2.1 the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 6.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
 - 6.2.3 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.
- 6.3 Any authorisation of a Conflict under this Article 6 may (whether at the time of giving the authorisation or subsequently):
- 6.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 6.3.2 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;
 - 6.3.3 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;
 - 6.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 6.3.5 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 shall 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
 - 6.3.6 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.
- 6.4 Where the directors authorise a Conflict, the Interested Director shall be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 6.5 The directors may revoke or vary such authorisation at any time, but this shall not affect anything done by the Interested Director prior to such revocation or variation in accordance with the terms of such authorisation.
- 6.6 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors in accordance with these Articles or by the Company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

- 6.7 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:
- 6.7.1 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;
 - 6.7.2 shall be an Eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 6.7.3 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;
 - 6.7.4 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;
 - 6.7.5 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
 - 6.7.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7 Records of decisions to be kept

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

8 Number of directors

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be no more than nine and no less than three.

9 Appointment and removal of alternate directors

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

9.1.1 exercise that director's powers; and

9.1.2 carry out that director's responsibilities,

in relation to the taking of decisions by the directors, in the absence of the Appointor.

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

- 9.3 The notice must:
- 9.3.1 identify the proposed alternate; and
 - 9.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

10 Rights and responsibilities of alternate directors

- 10.1 An alternate director may act as alternate director to more than one director and has the same rights in relation to any decision of the directors as the Appointor.
- 10.2 Except as the Articles specify otherwise, alternate directors are:
- 10.2.1 deemed for all purposes to be directors;
 - 10.2.2 liable for their own acts and omissions;
 - 10.2.3 subject to the same restrictions as their Appointors; and
 - 10.2.4 not deemed to be agents of or for their Appointors
- and, in particular (without limitation), each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his Appointor is a Member.
- 10.3 A person who is an alternate director but not a director:
- 10.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's Appointor is not participating);
 - 10.3.2 may participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, but does not participate); and
 - 10.3.3 shall not be counted as more than one director for the purposes of Article 10.3.
- 10.4 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor, in addition to his own vote on any decision of the directors (provided that an Appointor for whom he exercises a separate vote is an Eligible Director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 10.5 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive any remuneration from the Company for serving as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

11 Termination of alternate directorship

An alternate director's appointment as an alternate (in respect of a particular Appointor) terminates:

- 11.1 when the alternate's Appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

- 11.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's Appointor, would result in the termination of the Appointor's appointment as a director;
- 11.3 on the death of the alternate's Appointor; or
- 11.4 when the alternate director's Appointor ceases to be a director for whatever reason.

12 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.

DECISION MAKING BY MEMBERS

13 Votes of members

Subject to the Act, at any general meeting:

- 13.1 every Member who is present in person (or by proxy) shall on a show of hands have a vote; weighted in number to the value of their current shareholding.
- 13.2 every Member present in person (or by proxy) shall on a poll have a vote weighted in number to the value of their current shareholding.

14 Poll votes

- 14.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318(3) of the Act) present and entitled to vote at the meeting.
- 14.2 Model Article 30(3) shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

15 Proxies

Model Article 31(1)(d) shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

SHARES

16 Permitted Transfers

- 16.1 Notwithstanding the provisions of Article 17, a shareholder (the **Original Shareholder**) may transfer, without restriction as to price or otherwise, all or any of his shares to a Permitted Transferee.
- 16.2 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 it holds to:
 - 16.2.1 the Original Shareholder; or
 - 16.2.2 a Member of the Same Group as the Original Shareholder,

(which in either case is not bankrupt, in liquidation, receivership or administration nor has entered into a composition or arrangement with creditors generally) failing which a Transfer Notice shall be deemed to have been given immediately on the expiration of the 15 Business Days in respect of such shares.

16.3 If the Original Shareholder holds shares on behalf of a partnership and the Original Shareholder ceases to be a partner in that partnership, within 15 Business Days of such cessation the Original Shareholder shall transfer the shares he holds to another partner or partners in that partnership, failing which a Transfer Notice shall be deemed to have been given immediately on the expiration of the 15 Business Days in respect of such shares.

16.4 Where shares are held by the trustees of a Family Trust, the trustees may transfer shares to:

16.4.1 the Original Shareholder;

16.4.2 another Privileged Relation of the Original Shareholder;

16.4.3 another Family Trust of the Original Shareholder; or

16.4.4 to the new (or remaining) trustees upon a change of trustees of a Family Trust,

without restriction as to price or otherwise.

16.5 If a Permitted Transfer is made to the spouse or civil partner of the Original Shareholder, the Permitted Transferee shall within 15 Business Days of ceasing to be the spouse or civil partner of the Original Shareholder (whether by reason of divorce or otherwise) either:

16.5.1 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) for such consideration as may be agreed between them; or

16.5.2 give a Transfer Notice to the Company in accordance with Article 17,

failing which a Transfer Notice shall be deemed to have been given immediately on the expiration of the 15 Business Days in respect of the relevant shares.

16.6 If a Permitted Transfer is made to the spouse or civil partner of a Company Transferee, the Permitted Transferee shall within 15 Business Days of ceasing to be the spouse or civil partner of the Company Transferee (whether by reason of divorce or otherwise) either:

16.6.1 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) for such consideration as may be agreed between them; or

16.6.2 give a Transfer Notice to the Company in accordance with Article 17,

failing which a Transfer Notice shall be deemed to have been given immediately on the expiration of the 15 Business Days in respect of the relevant shares.

16.7 Where, under a deceased shareholder's will (or the laws as to intestacy), the persons legally or beneficially entitled to any shares (whether immediately or contingently) are Privileged Relations of the deceased shareholder, the legal representative of the deceased shareholder may transfer any shares to those Privileged Relations who are

Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 16.6 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without any restriction as to price or otherwise.

- 16.8 Notwithstanding any other provision of this Article 16, a transfer of any shares approved by all of the shareholders in writing may be made without any price or other restriction and any such transfer shall be registered by the directors unless prohibited by law.

17 Pre-emption

- 17.1 No shareholder shall either:

17.1.1 sell, transfer, assign, pledge, charge or otherwise dispose of any share or any interest in any share in the capital of the Company; or

17.1.2 grant any form of security whatsoever over any share in the capital of the Company,

except as permitted by this agreement or with the prior written consent of all of the shareholders.

- 17.2 A shareholder (**Seller**) wishing to transfer shares in the capital of the Company (**Sale Shares**) shall give notice in writing (**Transfer Notice**) to the other parties excluding any shareholder whose shares are, at the date of the Transfer Notice, the subject of a Deemed Transfer Notice under Article 19 (**Continuing Shareholders**) specifying the details of the proposed transfer, including the number of Sale Shares comprised within the Transfer Notice, the identity of the proposed buyer(s), the proposed price for each Sale Share (**Proposed Sale Price**) and each Continuing Shareholder's proportionate entitlement to the Sale Shares, being the same proportion of the Sale Shares as the proportion that the number of ordinary shares held by him bears to the total number of ordinary shares held by the Continuing Shareholders (in respect of each Continuing Shareholder, his **Entitlement**).
- 17.3 The Continuing Shareholders (or any of them) may, by giving notice in writing (**Price Notice**) to the Seller at any time within 10 Business Days of receipt of a Transfer Notice, notify the Seller that the Proposed Sale Price is too high. Following service of a Price Notice, the parties shall endeavour to agree a price for each of the Sale Shares. If the parties have not agreed such a price within 10 Business Days of the Seller's receipt of a Price Notice, they (or any of them) shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with Article 21.
- 17.4 If, following delivery to him of the Valuers' written notice in accordance with Article 21, the Seller does not agree with the Valuers' assessment of the Fair Value of the Sale Shares, he shall be entitled to revoke the Transfer Notice by giving notice in writing to the Continuing Shareholders within 5 Business Days of delivery to him of the Valuers' written notice. If the Seller revokes the Transfer Notice, he is not entitled to transfer the Sale Shares except in accordance with this Agreement.
- 17.5 If the Seller revokes the Transfer Notice pursuant to Article 17.4 and the Fair Value is less than 90% of the Proposed Sale Price, the cost of the Valuers shall be borne by the Seller. In all other circumstances, the cost of the Valuers shall be borne equally between the Company and the Seller unless the Valuer directs otherwise.
- 17.6 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice or, if later, within 20 Business Days of receipt of the Valuers' determination of the Fair Value (and provided the Seller has not withdrawn the Transfer Notice in accordance with Article 17.4), a Continuing Shareholder shall be entitled (but not obliged) to give notice in writing (**Acceptance**) to the Seller stating that he wishes to purchase his

Entitlement or a specified number of Sale Shares up to a maximum of his Entitlement to the Sale Shares at the Sale Price. A Continuing Shareholder may, in his Acceptance, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Entitlement (**Extra Shares**).

- 17.7 If, on the expiry of the relevant 20 Business Day period referred to in Article 17.6, the total number of Sale Shares applied for is greater than the available number of Sale Shares, each accepting Continuing Shareholder shall be allocated his Entitlement (or such lesser number of Sale Shares for which he has applied) and applications for Extra Shares shall be allocated in accordance with such applications or, in the event of competition, among those Continuing Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the proportions of all the shares of the same class held by such Continuing Shareholders.
- 17.8 Completion of those Sale Shares accepted by Continuing Shareholders under clause 17.6 and, where relevant, clause 17.7, shall take place in accordance with Article 20.
- 17.9 In relation to any Sale Shares not accepted by Continuing Shareholders or the Company under Article 17.6 (and, where relevant, Article 17.7), the Seller shall be entitled, at any time within 90 days after receiving confirmation from the Company that the pre-emption provisions contained in these Articles have been exhausted (which the Company shall give to the Seller as soon as practicable after the same shall have occurred), to transfer those Sale Shares to the third-party buyer identified in the Transfer Notice at a price per Sale Share not less than the Sale Price.

18 Drag along and tag along rights

- 18.1 If the holders of 65% or more of the issued share capital (**Majority Shareholders**) wish to transfer all of their interest in those shares to a third party purchaser, then they may require the other shareholders (**Other Shareholders**) to also sell and transfer all their Shares to the third party purchaser (or as the third party purchaser directs) in accordance with the provisions of this Article (**Drag Along Option**).
- 18.2 The Majority Shareholders may exercise the Drag Along Option by giving written notice to the Other Shareholders to that effect (**Drag Along Notice**) at any time before the transfer of the shares to the third party purchaser. The Drag Along Notice shall specify that the Other Shareholders are required to transfer all their Shares (**Called Shares**), the person to whom the Called Shares are to be transferred, the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per share offered by the third party purchaser for the Shares held by the Majority Shareholders and the proposed date of the transfer.
- 18.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Majority Shareholders have not sold the Called Shares to the third-party purchaser within 90 Business Days of serving the Drag Along Notice. The Majority Shareholders may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 18.4 Completion of the sale of the Called Shares shall take place on the date proposed for completion of the sale of the Shares to be sold by the Majority Shareholders unless the Majority Shareholders and the Other Shareholders agree otherwise in which case such completion shall take place on the date agreed in writing between them.
- 18.5 Within 10 Business Days of the Majority Shareholders serving a Drag Along Notice on the Other Shareholders, the Other Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or an indemnity in lieu thereof) to the Company. On completion of the Drag Along Option, to the extent that the third party purchaser has not done so, the Company shall pay the Other Shareholders, on behalf of the third party purchaser, the amounts they are due to the extent that the third party purchaser has put the Company in the requisite funds. The

Company's receipt for the price shall be a good discharge to the third party purchaser. The Company shall hold the amounts due to the Called Shareholders on trust for the Other Shareholders without any obligation to pay interest.

- 18.6 To the extent that the third-party purchaser has not, on the proposed completion date stated in the Drag Along Notice, put the Company in funds to pay the consideration due pursuant to Article 18.5, the Other Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity).
- 18.7 If the Other Shareholders do not, on completion of the sale of the Shares held by the Majority Shareholders, execute transfer(s) in respect of all of the Called Shares held by them, they shall be deemed to have irrevocably appointed any person nominated for the purpose by the Majority Shareholders to be their agent and attorney to execute all necessary transfer(s) on their behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the third party purchaser (or as they may direct) as the holder thereof. After the third party purchaser (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this clause.
- 18.8 A group of Shareholders holding 65% or more of the issued share capital in the Company may only complete a sale to a third party purchaser if they despatch a notice within 14 days of accepting the offer and having followed the provisions set out in clause 6, notifying the other shareholders of (i) the main terms of the third party offer and that they have contracted to accept the third party offer as permitted by this clause; (ii) the third party purchaser has made a binding written offer to the remaining shareholders at the same price per share and on terms that are not worse than those in the Offer that is kept open for at least 30 days from delivery of the notice (**Tag Along Notice**). If the remaining shareholders reject the third-party offer set out in the Tag Along Notice or do not complete a transfer of their shares to the third party within 30 days, then the parties wishing to sell the shares shall be free to transfer their shares to the third party without further reference to the remaining shareholders.
- 18.9 To the extent that shareholders accept any offer in the Tag Along Notice, then if he (or any person appointed by him) is a Director of the Company he shall deliver, or procure that there are delivered to the Company, their resignation as a director of the Company and/or resignations from any directors appointed by him; such resignations to take effect on the transfer of the Shares to the third party purchaser.

19 Events of default

- 19.1 Subject to Article 19.2, a shareholder is deemed to have served a Transfer Notice (**Deemed Transfer Notice**) under Article 17 immediately before any of the following events of default:
- 19.1.1 being an individual, a bankruptcy order being made against him, or an arrangement or composition being made with his creditors, or where he otherwise takes the benefit of any statutory provision for the time being in force for the relief of insolvent debtors; or
- 19.1.2 being a company, the shareholder enters into an arrangement or composition being made with its creditors, administration or liquidation; or
- (together **Events of Default** and each an **Event of Default**).
- 19.2 The Deemed Transfer Notice has the same effect as a Transfer Notice, except that:

- 19.2.1 the Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the shares and the Sale Price shall be the nominal value of those shares; and
- 19.2.2 the Seller does not have a right to withdraw the Transfer Notice following a valuation.

20 Completion of share purchase

- 20.1 Completion of the sale and purchase of shares under Article 17 shall take place 30 Business Days after:
 - 20.1.1 the date of delivery (or deemed date of delivery) of the Transfer Notice to the Continuing Shareholders, unless the Continuing Shareholders (or any of them) have served a Price Notice under Article 17.3; or
 - 20.1.2 the date of delivery of determination of the Sale Price in accordance with Article 21.
- 20.2 At such completion:
 - 20.2.1 the Seller shall deliver, or procure that there is delivered to each Continuing Shareholder who is to purchase Sale Shares, a duly completed stock transfer form transferring the legal and beneficial ownership of the relevant Sale Shares to him, together with the relevant share certificate(s) (or an indemnity in lieu thereof) and such other documents as the Continuing Shareholders or the Company may reasonably require to show good title to the shares, or to enable the Continuing Shareholders to be registered as the holder of the shares; and
 - 20.2.2 each relevant Continuing Shareholder shall deliver or procure that there is delivered to the Seller a bankers' draft made payable to the Seller or to his order for the Sale Price for the Sale Shares being transferred to him (or such other method of payment agreed between that Continuing Shareholder and the Seller).
- 20.3 Any transfer of shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the Seller sells the shares with full title guarantee.
- 20.4 If any Continuing Shareholder fails to pay the Sale Price payable by him on the due date, without prejudice to any other remedy which the Seller may have, the outstanding balance of that Sale Price shall accrue interest at a rate equal to 4% per annum above the base rate of the Bank of England from time to time.
- 20.5 The Company shall approve for registration (subject to due stamping by the Continuing Shareholders) of the transfers of the Sale Shares under this Article.

21 Fair Value

The Fair Value for any Sale Share shall be the price per share determined in writing by the Valuers on the following bases and assumptions:

- 21.1 valuing each of the Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent;
- 21.2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;

- 21.3 the sale is to be on arms' length terms between a willing seller and a willing buyer;
- 21.4 the shares are sold free of all restrictions, liens, charges and other encumbrances; and
- 21.5 the sale is taking place on the date the Valuers were requested to determine the Fair Value.

ADMINISTRATIVE ARRANGEMENTS

22 Means of communication to be used

- 22.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
 - 22.1.1 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 five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
 - 22.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 22.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 22.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

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

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

23 Rules

The directors may establish rules governing matters relating to Company administration that are required from time to time for the effective operation of the Company (for example, the provisions relating to classes of Members, Membership fees and subscriptions and the admission criteria for Members). If there is a conflict between the terms of these Articles and any rules established under this Article, the terms of these Articles shall prevail.

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:

- (a) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
- (b) in relation to the Company's (or any associated company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him 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 any associated 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 24.1.1* and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

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:

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

24.4.2 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the Company, any associated company or any pension fund or employees' share scheme of the Company or associated company; and

24.4.3 a **relevant officer** means any director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor).