

Company number: 12089433

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
SALISBURY GLASS COMMERCIAL HOLDINGS LIMITED



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INTRODUCTION

INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

Act	: the Companies Act 2006.
Articles	: the Company's articles of association for the time being in force.
A Share	: an A ordinary share of £1 each in the Company's capital for the time being.
Auditor	: the auditors of the Company from time to time, or, if the Company does not have auditors, the Company's accountant from time to time.
Board	: the board of Directors for the time being of the Company.
B Share	: a B ordinary share of £1 each in the Company's capital for the time being.
Business Day	: 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.
Cessation Date	: has the meaning given in article 20.1.2.
Close Relative	: the spouse, widow or widower of the member and the member's children (including legitimate, illegitimate, step and adopted children).
Company	: Salisbury Glass Commercial Holdings Limited, a company registered in England and Wales with company registration number 12089433.
Conflict	: has the meaning given in article 11.2.

C Share	: a C ordinary share of £1 each in the Company's capital for the time being.
Defaulting Shareholder	: a Drag-Along Shareholder who fails to comply with the terms of article 21.1.4
Director	: any director for the time being of the Company, including, where applicable, any alternate director.
Distributable profits	: the increase in the Company's profits available for distribution during the accounting period less any realised loss for earlier periods not already taken into account in calculating the distributable profits of an accounting period and not already written off in a reduction or reorganisation of capital duly made.
Drag-Along Completion	: has the meaning given in article 21.1.2.
Drag-Along Notice	: a notice served in accordance with article 21.1.3.
Drag-Along Shareholders	: the members other than the Proposing Shareholder(s).
D Share	: a D ordinary share of £1 each in the Company's capital for the time being.
Eligible Director	: a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter).
E Share	: an E ordinary share of £1 each in the Company's capital for the time being.
Family Trust	: a trust which permits the settled property or the income from it to be applied only for the benefit of the settlor and/or any Close Relative of that settlor and under which no power or control is capable of being exercised over the votes of any shares which are the subject of the trust, by any person other than the trustees or the settlor or any Close Relative of the settlor.
Group Company	: the Company and any subsidiary or holding company of the Company from time to time.
Leaver	: has the meaning given in article 20.1.1.
Mandatory Transfer Notice	: a Transfer Notice which a Member is required to give or is deemed to have given pursuant to article 0.

Matching Drag Notice	: a notice served pursuant to articles 21.1.8 and 21.1.9.
Member	: any holder for the time being of Shares.
Ordinary Shares	: the ordinary shares of £1 each in the Company's capital for the time being.
Permitted Transfer	: means a transfer of Shares made in accordance with article 17.1.
Proposed Purchaser	: any third party who proposes to acquire Selling Shares.
Proposing Shareholder	: a Member (on his own or acting in concert with one or more Members) who proposes to sell or transfer Selling Shares.
Sale Price	: A price determined in accordance with the provisions of article 19.3.1.
Sale Shares	: Shares which are subject to a Transfer Notice as referred to in article 19.2.2.
Selling Notice	: a notice served pursuant to article 19.1.2.
Selling Shares	: has the meaning given in article 19.1.1.
Shares	: the shares for the time being in the Company's capital, of whatever class, and "Share" shall mean any one of them.
Total Transfer Condition	: a condition that if all the Sale Shares (or whatever class) are not sold to Members, then none shall be sold.
Transfer Notice	: a notice in writing to the Company from any Transferor specifying: <ul style="list-style-type: none"> a. the Shares, interest and/or rights in the Shares of which the Transferor wishes to dispose; and b. the price for those Shares he wishes to receive.
Transferor	: a person proposing to transfer or otherwise dispose of his Shares.

- 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, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.5.1 any subordinate legislation from time to time made under it; and
 - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 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.
- 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 Articles 8, 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 44(2), 52 and 53 of the Model Articles shall not apply to the Company.
- 1.9 Article 7(2) of the Model Articles shall be amended by:
- 1.9.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 1.9.2 the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may".
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "and the secretary" before the words "properly incur".
- 1.11 In article 25(2)(c) of the Model Articles, the words "a reasonable fee" shall be deleted and replaced with the words "reasonable charge".
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.14 words importing the singular number shall include the plural and vice versa, words importing the masculine shall include the feminine and neuter and vice versa, and words importing persons shall include bodies corporate, unincorporated associations and partnerships.

DIRECTORS

NUMBER OF DIRECTORS

- 2.1 Unless otherwise agreed in writing by the holders of all the Shares, the number of Directors shall not exceed 13.

APPOINTMENT OF DIRECTORS

- 3.1 Each Member shall be entitled from time to time to appoint one person as a Director and to remove any such person from office. Any such appointment or removal shall be made by notice in writing to the Company, signed by or on behalf of such Member and served, in each case, upon the Company at its registered office.

APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 4.1 Notwithstanding any provision of these Articles to the contrary, any Director appointed pursuant to article 3.1 (appointor) may appoint such person as he thinks fit to be his alternate, to:

4.1.1 exercise that director's powers; and

4.1.2 carry out that director's responsibilities,

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

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

- 4.3 The notice must:

4.3.1 identify the alternate; and

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

RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

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

- 5.2 Except as the Articles specify otherwise, alternate directors:

5.2.1 are deemed for all purposes to be directors;

5.2.2 are liable for their own acts and omissions;

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

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

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

5.3 A person who is an alternate director but not a Director:

5.3.1 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);

5.3.2 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

5.3.3 shall not be counted as more than one director for the purposes of article 5.3.1 and article 5.3.2.

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

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

TERMINATION OF ALTERNATE DIRECTORSHIP

6.1 An alternate director's appointment as an alternate terminates:

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

6.1.2 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

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

6.1.4 when the alternate's appointor's appointment as a Director terminates.

UNANIMOUS DECISIONS

7.1 A decision of the Board is taken in accordance with this article 0 when all Eligible Directors indicate to each other by any means that they share a common view on a matter.

7.2 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.

- 7.3 A decision may not be taken in accordance with this article 0 if the Eligible Directors would not have formed a quorum at such a meeting.

QUORUM FOR DIRECTORS' MEETINGS

- 8.1 Subject to article 8.2, where the Company has more than one Director, the quorum for the transaction of business at a meeting of the Board is any three Eligible Directors. If a quorum is not present at any meeting of the Board the meeting shall be adjourned to the same time and at the same place but 14 days after the proposed meeting. If a quorum is not present at such adjourned meeting of the Board the meeting shall again be adjourned to the same time and at that further adjourned meeting the quorum shall be two.
- 8.2 If the Company has a sole Director, the quorum shall be one and the sole Director shall be entitled to exercise all the decision making powers of the Company.
- 8.3 For the purposes of any meeting of the Board (or part of a meeting) held pursuant to article 0 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.

CASTING VOTE

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

TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 10.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 10.1.1 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;
 - 10.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Board (or committee of Directors) in respect of such contract or proposed contract in which he is interested;
 - 10.1.3 shall be entitled to vote at a meeting of the Board (or of a committee of the Directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested;
 - 10.1.4 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;

- 10.1.5 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
- 10.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, 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.

DIRECTORS' CONFLICTS OF INTEREST

- 11.1 All situational conflicts arising from a director's position a shareholder in and/or a director of the Company are authorised for all purposes of this article 0 and the Act. No director shall be in breach of his duty under section 175 of the Act by virtue of any Conflict (as defined in article 11.2) that arises from a matter or situation described in this article 11.1.
- 11.2 The Board may, in accordance with the requirements set out in this article 0, 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**").
- 11.3 Any authorisation under article 11.2 will be effective only if:
- 11.3.1 to the extent permitted by the Act, the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the Directors under the provisions of these Articles or in such other manner as the Board may determine;
- 11.3.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director; and
- 11.3.3 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.
- 11.4 If a Conflict is proposed in accordance with article 11.3 and it is not possible for the Board to authorise that Conflict because of the provisions of article 11.3.2 then the Board meeting shall be adjourned and the Directors shall immediately convene a general meeting of the Members, at which the Conflict is considered and if thought fit, authorised in accordance with and subject to the remaining provisions of this Article 0.
- 11.5 The Interested Director must provide the Members with such details as are necessary for the Members to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the shareholders.
- 11.6 For the purposes of article 11.4, articles 11.3 to 11.11 below shall also apply to an authorisation of a Conflict by the Members, and all references in those articles to Directors' or Board authorisation shall include references to Members' authorisation.

- 11.7 Any authorisation of a Conflict under this article 0 may (whether at the time of giving the authorisation or subsequently):
- 11.7.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 11.7.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the Board or otherwise) related to the Conflict;
 - 11.7.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the Board in relation to any resolution related to the Conflict;
 - 11.7.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the Board thinks fit;
 - 11.7.5 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
 - 11.7.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the Board and be excused from reviewing papers prepared by, or for, the Directors to the extent they relate to such matters.
- 11.8 Where the Board authorises a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the Board in relation to the Conflict.
- 11.9 Where the Board authorises a Conflict, 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 (if any) imposed by the Board in respect of the authorisation.
- 11.10 The Directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 11.11 In authorising a Conflict the Board may decide (whether at the time of giving the authorisation or subsequently) that if a Director has obtained any information through his involvement in the Conflict otherwise than as a Director of the Company and in respect of which he owes a duty of confidentiality to another person, the Director is under no obligation to:
- 11.11.1 disclose such information to the Board or to any Director or other officer or employee of the Company; or

11.11.2 use or apply any such information in performing his duties as a Director,

where to do so would amount to a breach of that confidence.

11.12 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 Board or by the Company in a 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.

RECORDS OF DECISIONS TO BE KEPT

Where decisions of the Board 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.

NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, there shall not be any limitation as to the number of Directors.

APPOINTMENT OF DIRECTORS

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

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.

SHARE CAPITAL

SHARE CAPITAL

16.1 The Company's capital comprises Ordinary Shares, A Shares, B Shares, C Shares, D Shares and E Shares.

SHARE RIGHTS

- 17.1 Except as otherwise provided in these Articles, the A Shares, the B Shares, the C Shares, the D Shares, the E Shares and the Ordinary Shares shall rank *par passu* in all respects but shall constitute separate classes of shares.
- 17.2 The directors shall be entitled to declare dividends on each class of shares independently of the other classes of shares, .
- 17.3 On the transfer of any share as permitted by these Articles:
- 17.3.1 a share transferred to a person who is not an existing Member shall remain of the same class as before the transfer, and
- 17.3.2 a share transferred to a Member shall automatically be redesignated on transfer as a share of the same class as those shares already held by that Member.

If no shares of a class remain in issue following a redesignation under this article, these Articles shall be read as if they do not include any reference to that class or to any consents from, or attendance at any meeting or votes to be cast by, Members holding Shares of that class or directors appointed by that class.

PERMITTED SHARE TRANSFERS

- 18.1 A Member shall be permitted to transfer the legal title to and/or beneficial ownership of any Shares
- 18.1.1 if the prior written consent (which may be subject to terms and conditions) of all the holders of the Shares is first obtained,
- 18.1.2 to a Close Relative,
- 18.1.3 to trustees to be held upon the trusts of a Family Trust
- 18.2 No such transfer as is referred to in article 18.1 may be made in respect of or in relation to any Shares which for the relevant time being is the subject of any Transfer Notice or Mandatory Transfer Notice.

PRE-EMPTION PROVISIONS

- 19.1 General
- 19.1.1 Except in the case of a Permitted Transfer or a transfer pursuant to articles 0 or 0, the right to transfer or otherwise dispose of a Share or any interest or right in or arising from a Share (an option, warrant or other right to acquire any Shares (whether by subscription, conversion or otherwise) being deemed to be an interest in a Share for this purpose) shall be subject to the provisions contained in these Articles and any such transfer or other disposal made otherwise than in accordance with such provisions shall be void

- 19.1.2 The Directors shall refuse to register the transfer of any Shares unless they are satisfied that such transfer is made in accordance with these Articles

19.2 The Transfer Notice

- 19.2.1 Before transferring or otherwise disposing of any Shares or any interest or right in or arising from any Share, the Transferor shall give a Transfer Notice. The Transferor shall, contemporaneously with the giving of a Transfer Notice, deliver up and lodge with the Company the share certificate(s) in respect of the relevant Shares
- 19.2.2 The Transfer Notice shall (notwithstanding anything in the Transfer Notice to the contrary) unconditionally constitute the Company as the agent of the Transferor in relation to the sale of all the legal title to, beneficial ownership of and all interests in and rights attaching to the Shares referred to in the Transfer Notice (the "**Sale Shares**") at the price determined in accordance with the provisions of these Articles
- 19.2.3 A Transfer Notice shall not be revocable except with the consent of the Directors or in the circumstances set out in article 19.3.1 below
- 19.2.4 Except in the case of a Transfer Notice which a Member is required to give or is deemed to have given pursuant to article 0 (a "Mandatory Transfer Notice"), a Transfer Notice may include a Total Transfer Condition.

19.3 The Sale Price

- 19.3.1 The price for the Sale Shares shall be a price agreed between the Transferor and the Directors or if they are unable to agree a price within 30 days of the date of the Transfer Notice the price shall be the price which the auditors for the time being of the Company shall certify to be in their opinion the value for the Sale Shares (the "**Sale Price**")
- 19.3.2 The Auditors shall be instructed to value the Sale Shares using the following assumptions:
- the market value of the Sale Shares as at the date when the relevant Transfer Notice or Mandatory Transfer Notice which was given or deemed to have been given (as the case may be) as between a willing buyer and a willing seller at arms' length but with no discount or enhancement being made by reason of such shares (if such be the case) constituting a minority or majority holding,
 - the Sale Shares are sold free from all restrictions, liens, charges and other encumbrances,
 - having regard to the value of the business of the Group Company on the basis that each Share shall be valued by adopting the value of the Group Company calculated in accordance with article 19.3.2 and dividing such value by the total number of issued shares in the capital of the Company

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- 19.3.3 For the purposes of article 19.3.1, the Auditors shall act as experts and not as arbitrators and (save only for manifest error) their determination shall be final and binding upon the Company and all the Members
- 19.3.4 Unless the Sale Shares to be sold are subject to a Mandatory Transfer Notice, the Transferor shall be entitled by notice in writing given to the Company within 20 days of service upon him of the Auditor's determination of the Sale Price to cancel the Company's authority to sell the Sale Shares
- 19.3.5 The costs and expenses of the Auditors in relation to the making of their determination shall be borne by the Company unless the Sale Price as so determined is the same as, or substantially, the same as, that (if any) which the Directors had notified to the Transferor as being in their opinion the Sale Price, (in which event such costs and expenses shall be borne by the Transferor) or if the Transferor cancels the Transfer Notice, in such case the Transferor shall bear the cost

19.4 Offer to the Members

- 19.4.1 Subject as provided in this article 19.4, once the Sale Price has been determined then unless the Transferor has given a valid notice of cancellation of the Transfer Notice, the Sale Shares shall be offered for sale to all the Members of the Company for the relevant time being pro rata as nearly as may be to the respective numbers of Shares held by such Members. Members shall be invited to state in writing the maximum number of Sale Shares they wish to purchase.
- 19.4.2 The Company shall not be required to, and shall not, offer any Sale Shares to the Transferor or any person who remains a Member but who has either given a Transfer Notice or has been deemed to have given a Mandatory Transfer Notice on or prior to the date on which any such offer as is referred to in this article 0 is made.
- 19.4.3 The offer to the Members shall limit the time (not being less than 21 days nor more than 30 days) in which the offer must be accepted or in default will lapse.

19.5 Applications by the Members

- 19.5.1 If, by virtue of the provisions of article 19.4, the relevant Members apply for all or any of the Sale Shares (subject as set out in these Articles) the Directors shall allocate the Sale Shares or such of them as are applied for amongst the applicants for any of the Sale Shares, in the case of competition in proportion to their existing holdings of Shares (as nearly as may be without involving fractions).
- 19.5.2 Any outstanding Sale Shares shall then be allocated to the Members who have applied for any part of such excess in proportion to the number of Shares held by them respectively provided that no Member shall be allocated shares in excess of the number applied for by him.
- 19.5.3 If a Transfer Notice shall validly contain a Total Transfer Condition then any such offer as aforesaid shall be conditional upon such condition being satisfied and

no acceptance of an offer of Sale Shares will become effective unless such condition is satisfied.

19.6 Notice of sale from the Company

- 19.6.1 If, prior to the expiry of the relevant time periods, the Company shall, pursuant to the foregoing provisions, find Members to purchase some or (if article 19.5.3 shall apply) all the Sale Shares it shall forthwith give notice in writing thereof to the Transferor and the Members.
- 19.6.2 Every such notice shall state the name and address of each of the Members and the number of the Sale Shares agreed to be purchased by him and shall specify a place and time and date (not being less than 14 days nor more than 30 days after the date of such notice) at which the sale and purchase shall be completed.

19.7 Completion of the sale

- 19.7.1 Upon the giving by the Company of any such notice the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms
- 19.7.2 Save only if a Member does not duly pay the Sale Price, if a Transferor fails to complete the transfer of any Sale Shares to a Member:
- a. the Directors shall be entitled to, and shall, authorise and instruct some person to execute and deliver on his behalf the necessary transfer;
 - b. the Company may receive the purchase money in trust for the Transferor;
 - c. subject to receiving the relevant share certificate(s), the Company shall cause such Member to be registered as the holder of such Shares.

The receipt of the Company for the purchase money shall be a good discharge to the Member (who shall not be bound to see to the application thereof) and after the Member has been registered in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.

19.8 Sale to a third party

- 19.8.1 The provisions of this article 19.8 shall not apply in the case of a Mandatory Transfer Notice.
- 19.8.2 If the Company does not, prior to the expiry of the relevant time limits, find Members willing to purchase some, or, if the relevant Transfer Notice validly contains a Total Transfer Condition, all the Sale Shares, it shall give notice in writing of this to the Transferor.
- 19.8.3 Following receipt of a notice served pursuant to article 19.8.2, the Transferor, at any time thereafter up to the expiration of 90 days from the date of such notice, shall be at the liberty to transfer those of the Sale Shares not purchased by the

Members or all the Sale Shares (as the case may be) to any person on a bona fide sale at any price not being less than the Sale Price.

- 19.8.4 The Directors may require the Transferor to provide evidence to them (to their reasonable satisfaction) that such Shares are being transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate, allowance or indulgent terms whatsoever to the third party purchaser and, if not so satisfied, may refuse to register the instrument of transfer.

19.9 Free from encumbrances

Any Shares required to be transferred by a Transferor to a Member pursuant to article 0 shall be transferred free from any mortgage, charge, lien, option or other encumbrance and with the benefit of all rights and entitlements attaching to the Sale Shares and if, in determining the Sale Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the transfer is registered then the Transferor shall be liable to account to the Member for the amount thereof (and the Member, when making payment for such Shares, may set-off such amount against the Sale Price payable).

MANDATORY TRANSFERS

20.1 Deemed Transfer Notices

Subject to article 20.2, a Transfer Notice shall be deemed to have been served and the provisions of article 0 shall apply in respect of the relevant Shares:

- 20.1.1 if a Member transfers, ~~attempts to transfer, or agrees to transfer any shares or~~ interest in any shares to a person otherwise than in accordance with articles 0 and 0 the Transfer Notice shall be deemed served immediately prior to the transfer, attempt to transfer or agreement to transfer;
- 20.1.2 if at any time any Member who is a Director or employee of or consultant to any Group Company ceases (for whatever reason) to be a director or employee or consultant (the "**Leaver**") Such Transfer Notice shall be deemed to be served on the Cessation Date The "**Cessation Date**" shall be:
- a. date on which the Leaver ceases to be a director of or an employee of or a consultant to a Group Company, or
 - b. where a Leaver who is an employee of or consultant to a Group Company has given or received notice terminating his employment or consultancy (as the case may be), the date of service of such notice,

the provisions of article 0 shall apply

20.2 Bad Leaver provisions

Notwithstanding article 20.1, a Member shall be deemed to have served a Transfer Notice on the occurrence of either of the following events:

- 20.2.1. in the case of a Member who is also an employee of or a consultant to the Company or another Group Company, he ceases to be such an employee or consultant by reason of the Company or Group Company (as the case may be) summarily terminating such employment or consultancy on any of the grounds of gross default and/or misconduct and/or negligence in connection with or affecting the business of the Company or Group Company;
- 20.2.2 if a Member resigns from office as a director, employee or consultant to any Group Company within the period commencing on the Adoption Date and ending on the date which is two years after the Adoption Date;

and in such circumstances the Sale Price for the Sale Shares shall be the lower of the value of the Sale Shares (at the time that the Transfer Notice is deemed to have been served) as determined by article 19.3 or the nominal value of such Sale Shares.

20.3 Provision of information

- 20.3.1 For the purpose of ensuring that no circumstances have arisen whereby a Transfer Notice is required or may be deemed to have been given under these Articles, the Directors may from time to time require any Member or the personal representatives of any deceased Member or any person named as transferee in any transfer lodged for registration to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose
- 20.3.2 If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing stipulate that a Mandatory Transfer Notice shall as from the date of such notice (or on such future date as may be specified therein) be deemed to have been given by the holders of those Shares in respect of all or any of such Shares
- 20.3.3 Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled to refuse to register the transfer in question

DRAG AND TAG

21.1 Drag

- 21.1.1 Notwithstanding anything to the contrary in these Articles, if a Proposing Shareholder proposes to sell or transfer Shares constituting 61% or more of all the Shares in issue (the "**Selling Shares**") at the time of the proposed sale or transfer as part of a bona fide arm's length transaction to any person or persons other than another Member or a permitted transferee pursuant to article 17.1 then the following provisions of article 21.1 shall apply.
- 21.1.2 The Proposing Shareholder shall have the right to give to the Company not less than 21 days' prior written notice of the proposed sale or transfer (the "**Selling Notice**")
- 21.1.3 The Selling Notice shall include details of:

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- 21.1.4 the Selling Shares and the proposed price to be paid by the proposed purchaser (the **"Proposed Purchaser"**) for each Selling Share;
- 21.1.5 details of the Proposed Purchaser;
- 21.1.6 the place, date and time of completion of the proposed purchase being a date not less than 21 days from service of the Selling Notice (the **"Drag Along Completion"**).
- 21.1.7 Subject to article 21.1.5, immediately upon receipt of a Selling Notice, the Company shall give notice in writing (a **"Drag Along Notice"**) to each of the Members other than the Proposing Shareholder (the **"Drag Along Shareholders"**) giving the details contained in the Selling Notice and requiring each of them to sell all shares held by them to the Proposed Purchaser at the Drag Along Completion
- 21.1.8 The Proposing Shareholder may withdraw a Selling Notice at any time prior to Drag Along Completion by written notice to the Company to that effect and, on service of that notice, each Drag Along Notice shall no longer be binding and shall cease to have any effect
- 21.1.9 Subject to the provisions of articles 21.1.8 to 21.1.10 (inclusive), each Drag Along Shareholder who is given a Drag Along Notice shall, in the event of the proposed sale or transfer proceeding, sell (or procure the sale of) all the shares referred to in his Drag Along Notice to the Proposed Purchaser on the Drag Along Completion at the highest price per Selling Share proposed by the Proposed Purchaser and otherwise on the same terms as the sale of shares by the Proposing Shareholder
- 21.1.10 If any of the Drag Along Shareholders (each a **"Defaulting Shareholder"**) fails to comply with the terms of article 21.1.6 in any respect then:
- a. the Company shall be constituted the agent of each Defaulting Shareholder for the sale of the shares (together with all rights then attached to those shares) referred to in his Drag Along Notice in accordance with that notice;
 - b. the board may authorise a Director to execute and deliver on behalf of each Defaulting Shareholder the necessary transfer(s);
 - c. the Company may receive the purchase money in trust for each Defaulting Shareholder and cause the Proposed Purchaser to be registered as the holder of such shares;
 - d. the receipt by the Company of the purchase money pursuant to those transfers shall constitute a good and valid discharge to the Proposed Purchaser (who shall not be bound to see to the application of those monies),
 - e. after the Proposed Purchaser has been registered in purported exercise of the powers in this article 21.1.7, the validity of the proceedings shall not be questioned by any person, and

- f. the Company shall not pay the purchase monies to a Defaulting Shareholder until he shall, in respect of the shares subject to the Drag Along Notice, have delivered a share certificate or a suitable indemnity and the necessary transfers to the Company
- 21.1.11 In the event that a Drag Along Notice is served pursuant to article 21.1.4 above, the Drag Along Shareholders shall have the right between them in priority to the Proposed Purchaser (and in proportion to their respective holdings of shares in the Company on the date of the relevant Drag Along Notice or in such other proportions as they shall agree between them and specify in the Matching Drag Notice) to purchase all (but not some only) of the Selling Shares at the highest price per Selling Share proposed by the Proposed Purchaser and otherwise on the same terms as those agreed between the Proposing Shareholder and the Proposing Purchaser
- 21.1.12 In order to exercise the right conferred by provisions of article 21.1.8 above, the Drag Along Shareholders shall give written notice of such exercise (the **"Matching Drag Notice"**) to the Proposing Shareholder within 14 days of service of the relevant Drag Along Notice and shall complete the sale and purchase of the Selling Shares on or before the proposed date for the Drag Along Completion
- 21.1.13 If the Drag Along Shareholders who served the Matching Drag Notice fail to complete the sale and purchase of the Selling Shares on the said terms, the provisions of article 21.1.6 shall apply as if no Matching Drag notice had been served
- 21.1.14 The expression **"price per Selling Share"** used in articles 21.1.2, 21.1.6 and 21.1.8 shall be deemed to include an amount equal to the relevant proportions of any other consideration (in cash or otherwise) received or receivable by the holders of the shares in question which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the specified shares, and in the event of disagreement, the calculation of the price shall be referred to a chartered accountant or other expert (acting as an expert and not as arbitrator) nominated by the parties concerned (or in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales) whose decision shall, in the absence of fraud or manifest error, be final and binding

21.2 Tag

In the event that any Member or Members sell or agree to sell Shares or any interest in Shares which (when aggregated with Shares already held by the purchaser) confer a right to hold not less than 61% of the Shares:

- 21.2.1 the Member(s) shall procure that the purchaser makes an offer on the same terms to all the other Members (other than to the purchaser if he is a Member) to acquire a pro rata proportion of their Shares on the same or equivalent terms; and

- 21.2.2 the Directors shall refuse to register any such transfer to the purchaser if such an offer is not made.

FURTHER ISSUES OF SHARES: AUTHORITY

- 22.1 Subject to the remaining provisions of this article 0, the directors are generally and unconditionally authorised, for the purpose of section 551 of the Act, to exercise any power of the Company to:

22.1.1 offer or allot;

22.1.2 grant rights to subscribe for or to convert any security into; or

22.1.3 otherwise deal in, or dispose of,

any shares in the Company to any person, at any time and subject to any terms and conditions as the directors think proper.

- 22.2 The authority referred to in article 22.1:

22.2.1 shall be limited to a maximum nominal amount of £99 or such other amount as may from time to time be authorised by the Company by ordinary resolution;

22.2.2 shall only apply insofar as the Company has not, subject to these Articles, renewed, waived or revoked it by ordinary resolution; and

may only be exercised for a period of five years from the date of adoption of these Articles, save that the directors may make an offer or agreement which would, or might, require shares to be allotted after the expiry of such authority (and the directors may allot shares in pursuance of an offer or agreement as if such authority had not expired).

DECISION MAKING BY SHAREHOLDERS

POLL VOTES

- 23.1 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.
- 23.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that article.

PROXIES

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

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

ADMINISTRATIVE ARRANGEMENTS

MEANS OF COMMUNICATION TO BE USED

- 25.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 25.1.1 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 confirmation of delivery from the courier service provider);
 - 25.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
 - 25.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
 - 25.1.4 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.
- 25.2 For the purposes of this article 0, no account shall be taken of any part of a day that is not a Business Day.
- 25.3 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 delivered to an address permitted for the purpose by the Act.

INDEMNITY

- 26.1 Subject to article 26.2 but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- 26.1.1 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

- 26.1.2 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 26.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.
- 26.2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.
- 26.3 In this article 0 and in article 0:
 - 26.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
 - 26.3.2 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).

INSURANCE

- 27.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.
- 27.2 In this article 0 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.

SUBSIDIARIES

The Company shall procure that each other Group Company shall comply with those provisions of these Articles which are expressed to apply to a Group Company and that no Group Company shall do or permit to be done any act, matter or thing which if it were done or permitted to be done by the Company would constitute a breach by the Company of any provision of these Articles or would require any consent, approval or sanction under

these Articles, unless in such latter case such consent, approval or sanction has first been obtained.