

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**DRIVERS & NORRIS LIMITED (the Company)**  
**WRITTEN RESOLUTION**  
**2018 (the Circulation Date)**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (CA 2006), the directors of the Company propose that the following resolutions be passed as to resolutions 1 and 2 as special resolutions and resolutions 3 and 4 as ordinary resolutions (**the Resolutions**).

**Special Resolution**

1. THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company (**New Articles**) in substitution for, and to the exclusion of, the Company's existing articles of association.
2. THAT the members of the Company hereby ratify, confirm and approve all previous acts carried out by, or on behalf of the Company (for the avoidance of doubt including any acts at director meetings which did not satisfy the quorum required of the present articles of association).

**Ordinary Resolution**

3. THAT, the directors be given authority to authorise matters giving rise to an actual or potential conflict for the purposes of section 175 of the Companies Act 2006.
4. THAT, the directors be given the power to allot shares in the Company or to grant rights to subscribe for or to convert any security into such shares in the Company under section 550 of the Companies Act 2006. This authority is in substitution for all previous authorities conferred on the directors in accordance with section 80 of the Companies Act 1985 or section 551 of the Companies Act 2006.

**Agreement**

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned, being the holder of 80% of the shares in the Company entitled to vote on the Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions:

  
PETER LAURENCE MURPHY

20th December 2018

Date

Notes

MONDAY



A14 \*A7WNQSTS\* #215  
07/01/2019  
COMPANIES HOUSE

**Company number 696136**

**THE COMPANIES ACT 2006**

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION**

**OF**

**DRIVERS & NORRIS LIMITED**

**(Adopted by special resolution passed on 20<sup>th</sup> December 2018)**

## **INTRODUCTION**

### **1. INTERPRETATION**

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

**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.

**Bad Leaver:** means a shareholder (excluding Peter Murphy) who:

- (i) is the subject of a bankruptcy petition which is presented for his bankruptcy;
- (ii) makes a voluntary arrangement or composition with his creditors or where he otherwise takes the benefit of any statutory provisions for the time being in force for the relief of insolvent debt; or
- (iii) becomes a Departing Employee in circumstances where he is not a Good Leaver.

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

**Conflict:** has the meaning given in article 7.1.

**Departing Employee:** a shareholder (excluding Peter Murphy) who is or has been an employee and/or director of the company or any subsidiary and who ceases to be a director and/or employee of the company or any subsidiary.

**Eligible Director:** means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter).

**Fair Value:** the fair value of the Sale Shares assessed using the following bases and assumptions:

- (i) arms' length terms between a willing seller and a willing buyer;
- (ii) valuing the Sale Shares as a rateable proportion of the total value of all of the issued shares in the company, with a premium or discount being attributable to the percentage of the issued share capital of the company which the Sale Shares represent (and in respect of a minority discount, the discount shall be applied at a rate of 70%);
- (iii) the Sale Shares are sold free of all encumbrances;
- (iv) the valuation is taking place by reference to the date of the deemed Compulsory Transfer Notice;

as determined in accordance with the provisions of article 15.

**Founder Director:** the director appointed in accordance with Article 8.3 from time to time (and for the avoidance of doubt shall include the alternate of such Founder Director).

**Good Leaver:** means a shareholder in the company (other than Peter Murphy) who dies, or who becomes a Departing Employee due to:

- (i) permanent disability or permanent incapacity through ill-health; or
- (ii) dismissal by the company (or subsidiary which employs the shareholder) which is determined by an employment tribunal or at a court of competent jurisdiction from which there is no right of appeal, to be wrongful;
- (iii) such other circumstances agreed by the directors in their absolute discretion.

**Model Articles:** means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles.

**Sale Shares:** has the meaning in article 15.3.

**Seller:** has the meaning in article 15.3.

**Valuer:** the accountants of the company from time to time, or if they decline such instruction an independent firm of accountants jointly appointed by the Seller and the company, or in the

absence of agreement within 10 Business Days of the company's accountant's declining the appointment, an independent firm appointed by the president for the time being of the Institute of Chartered Accountants in England and Wales. In each case, the valuer shall act as expert and not as arbitrator.

- 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 is a reference to it as amended, extended or re-enacted from time to time. A reference to a statute or statutory provision shall include all subordinate legislation made from time to time under that statute or statutory provision.
- 1.6 Any words following the terms **including**, **include**, **in particular**, **for example** or any similar expression shall be construed as illustrative and shall not limit the sense of the words, description, definition, phrase or term preceding those terms.
- 1.7 Where the context permits, **other** and **otherwise** are illustrative and shall not limit the sense of the words preceding them.
- 1.8 The Model Articles shall apply to the company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.9 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 18(e), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company.
- 1.10 Article 7 of the Model Articles shall be amended by:
  - 1.10.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
  - 1.10.2 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".
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.12 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.13 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But".

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

## **DIRECTORS**

### **2. UNANIMOUS DECISIONS**

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

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

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

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

- 4.1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than one.
- 4.2 Subject to article 4.3, the quorum for the transaction of business at a meeting of directors is any one Eligible Director, which for as long as there is a Founder Director, must include the Founder Director (or his alternate).
- 4.3 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 to authorise a director's conflict, or in relation to a resolution where a director is prevented from being an Eligible Member (for example in accordance with article 6.2 and 15.13) if there is only one Eligible Director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 4.4 For as long as there is a Founder Director, the Founder Director (or his alternate) shall be chairman of any meeting of directors.
- 4.5 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:

4.5.1 to appoint further directors; or

4.5.2 to call a general meeting so as to enable the shareholders to appoint further directors.

## **5. VOTES OF DIRECTORS**

5.1 While there is a Founder Director:

5.1.1 a vote by the Founder Director (or his alternate) in favour of a board resolution proposed at a meeting of Directors shall be sufficient to pass the resolution;

5.1.2 no resolution of Directors shall pass unless the Founder Director (or his alternate) votes in favour of the resolution. If the Founder Director is not an Eligible Director in respect of a resolution, the Founder Director may still veto the resolution.

5.2 Subject to article 5.1 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 has a casting vote.

5.3 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.

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

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

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

6.1.2 subject to article 6.2 and 15.13, 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;

6.1.3 subject to article 6.2 and 15.13, shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;

6.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;

6.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and

- 6.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (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.
- 6.2 A director shall not be entitled to vote or count in the quorum in relation to any decisions of the company relating to the grant of, setting of targets relating to, the vesting or exercise of any part of any share option to himself.
- 7. DIRECTORS' CONFLICTS OF INTEREST**
- 7.1 The directors may, in accordance with the requirements set out in this article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an **Interested Director**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**Conflict**).
- 7.2 Any authorisation under this article 7 will be effective only if:
- 7.2.1 to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
  - 7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director; and
  - 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted.
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
  - 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
  - 7.3.3 provide that the Interested Director shall or shall not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
  - 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;

- 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
- 7.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 A director 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 or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

## **8. APPOINTMENT AND REMOVAL OF DIRECTORS**

- 8.1 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.
- 8.2 Model Article 22 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a director: the company receives written notice from a person holding more than 50% of the shares requiring the removal of a particular person as a director.
- 8.3 For as long as he holds any shares in the Company, Peter Murphy shall have the right to appoint (and remove) by written notice one director of the Company which shall be the "Founder Director", the first such Founder Director shall be Peter Murphy. If at any point Peter Murphy no longer holds any shares in the Company, the holder of more than 50% of the shares in the Company shall have the right to appoint (and remove) the Founder Director by written notice to the Company at its registered office address. There is no requirement for there to be a Founder Director in office.

## **9. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS**

- 9.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person (save that in respect of any appointor other than Peter Murphy, the appointee must be approved by resolution of the directors if the appointee is not himself a director), 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 alternate's appointor.

9.2 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.

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 the proposed alternate 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 alternate's appointor.

10.2 Except as the Articles specify otherwise, alternate directors:

10.2.1 are deemed for all purposes to be directors;

10.2.2 are liable for their own acts and omissions;

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

10.2.4 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.

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, 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).
- 10.5 *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.*

## **11. TERMINATION OF ALTERNATE DIRECTORSHIP**

- 11.1 An alternate director's appointment as an alternate terminates:
- 11.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
  - 11.1.2 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 appointor's appointment as a director;
  - 11.1.3 on the death of the alternate's appointor; or
  - 11.1.4 when the alternate's appointor's appointment as a director terminates.

## **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.

## **SHARES**

### **13. PURCHASE OF OWN SHARES AND ISSUE OF SHARES**

- 13.1 Subject to the Act but without prejudice to any other provision of these Articles, the company may purchase its own shares in accordance with Chapter 4 of Part 18 of the Act, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:
- 13.1.1 £15,000; and
  - 13.1.2 the nominal value of 5% of the company's fully paid share capital at the beginning of each financial year of the company.
- 13.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company.

#### **14. SHARE TRANSFERS: GENERAL**

- 14.1 In these Articles, reference to the transfer of a share includes the transfer, assignment or other disposal of a beneficial or other interest in that share, or the creation of a trust or encumbrance over that share, and reference to a share includes a beneficial or other interest in a share.
- 14.2 *No share shall be transferred unless the transfer is made in accordance with these Articles.*
- 14.3 The directors must register any duly stamped transfer made in accordance with these Articles and shall not have any discretion to register any transfer of shares which has not been made in compliance with these Articles.
- 14.4 To enable the directors to determine whether or not there has been a transfer of shares in the company in breach of these Articles, the directors may from time to time require any shareholder to provide the company with such information and evidence as they may reasonably require relevant to that purpose. If a shareholder fails to provide information or evidence in respect of any shares registered in its name to the reasonable satisfaction of such directors within 14 days of their request, such directors may serve a notice on the shareholder stating that the shareholder shall not in relation to those shares be entitled to be present or to vote on a written resolution of the shareholder or to receive dividends on the shares until such evidence or information has been provided to the directors' satisfaction. Such directors may reinstate these rights at any time.
- 14.5 Any transfer of shares by way of a sale that is required to be made under articles 15, 16 or 17 shall be deemed to include a warranty that the transferor sells with full title guarantee.
- 14.6 Peter Murphy may transfer his shares without any restriction, but subject always to the provisions of articles 16 and 17.
- 14.7 Any shareholder (excluding Peter Murphy) may make the following transfers:
- 14.7.1 to any existing Shareholder in the company;
  - 14.7.2 to the company in accordance with the Companies Act 2006;
  - 14.7.3 to any person with the written consent of either:
    - (i) Peter Murphy (for as long as he is a shareholder) in his absolute discretion; or
    - (ii) the holders of 60% of the shares (which for the avoidance of doubt may include those shares which are to be transferred)and which, in either case, may include conditions;
  - 14.7.4 to such person as may be permitted or required in accordance with article 15, 16 or 17.

**15. SHARE TRANSFERS: COMPULSORY TRANSFERS**

15.1 This article 15 shall not apply to Peter Murphy.

15.2 In relation to any shareholder (excluding Peter Murphy) each of the following shall be a "Compulsory Transfer Event", if that shareholder:

15.2.1 dies; or

15.2.2 is the subject of a bankruptcy petition which is presented for his bankruptcy; or

15.2.3 makes a voluntary arrangement or composition with his creditors or where he otherwise takes the benefit of any statutory provisions for the time being in force for the relief of insolvent debt; or

15.2.4 becomes a Departing Employee.

15.3 Where a Compulsory Transfer Event occurs in relation to a shareholder, he (**Seller**) shall be deemed immediately prior to the occurrence of the Compulsory Transfer Event to give a transfer notice (**Compulsory Transfer Notice**) in respect of all shares owned by him (**Sale Shares**), unless the directors otherwise direct in writing with 10 Business Days of the date on which the directors (excluding the Seller) become aware of the Compulsory Transfer Event.

15.4 Where a Compulsory Transfer Notice is deemed served, the Sale Shares shall be offered for sale to the company or such other person or persons as the company nominates, for a price:

15.4.1 if the Seller is a Bad Leaver, for the lower of the price per share paid by the Bad Leaver when he acquired those Sale Shares, or the Fair Value of the Sale Shares assessed by reference to the date of the deemed Compulsory Transfer Notice; or

15.4.2 if the Seller is a Good Leaver, for the higher of the price per share paid by the Good Leaver when he acquired those Sale Shares, or the Fair Value of the Sale Shares assessed by reference to the date of the deemed Compulsory Transfer Notice.

15.5 The Fair Value of the Sale Shares shall be as agreed between the Seller and the company, or in default of agreement within 15 Business Days (or such later date as may be agreed between the company and the Seller) of the directors (excluding the Seller) becoming aware of the Compulsory Transfer Event. If the parties are not able to agree the Fair Value within this time period, the Valuer shall be requested to determine the Fair Value within 20 Business Days of the Valuer's appointment and to notify the company in writing of the determination.

15.6 If the Valuer is appointed in accordance with article 15.5, the Seller and the company are each entitled to make submissions to the Valuer (including oral submissions) and will provide the Valuer with such assistance as the Valuer may reasonably require for the purpose of reaching a decision. To the extent not provided by article 15, the Valuer may, in his reasonable discretion, determine such other procedures to assist with the valuation as they consider appropriate.

- 15.7 The Valuer shall act as expert and not arbitrator and the written decision of the Valuer shall be final and binding on the parties.
- 15.8 The cost of obtaining a valuation from the Valuer shall be borne by the Company and the Seller in such proportions as the Valuer may direct.
- 15.9 The deemed Compulsory Transfer Notice will irrevocably constitute the company (acting by its directors) as the agent of the proposing transferor with power to sell the Sale Shares together with all rights attached to them at the date of the deemed Compulsory Transfer Notice at the transfer price (calculated in accordance with 15.4.1 or 15.4.2 as appropriate) on the terms of this article 15.
- 15.10 Within 30 Business Days of the last to occur of (a) the directors (excluding the Seller) becoming aware of the Compulsory Transfer Event and (b) the transfer price being agreed or determined in accordance with article 15.4; the directors shall have the right (where they choose to exercise the same) to direct the company (in its capacity as agent for the Seller) immediately to offer such number of the Sale Shares as they may determine for purchase to the company (pursuant to the provisions of Chapter 4 of Part 18 of the Act) and/or to such other person or persons as the directors agree. For the avoidance of doubt, the Sale Shares do not all have to be transferred to the same recipient.
- 15.11 The directors will promptly give notice in writing to the Seller and to the offeree(s) who have agreed to buy any Sale Shares (for the purpose of this Articles 15.11 each offeree being a **buyer**) The notice must state (a) the total number of Sale Shares agreed to be bought; (b) whether or not they constitute all the Sale Shares and if they do not, the number not agreed to be purchased (or agreed to be purchased by other buyers), (c) the name and address of the buyer subject to that notice and number of Sale Shares agreed to be bought by that buyer, and (d) the place and time appointed by the directors for the completion of the purchase (being not less than five Business Days nor more than 20 Business Days after the date of that notice). Subject to that notice being given, the purchase must be completed at the time and place appointed by the directors. The receipt by the company of the transfer price will be good discharge to the buyer, the company and the directors, none of whom shall be bound to see the application of the transfer price money.
- 15.12 If the Seller (or if relevant his trustee in bankruptcy, personal representative or other transmittee) does not, on or before the date proposed by the directors for completion, execute and deliver transfer(s) in respect of all of the shares he is required to transfer in accordance with this article 15, he shall be deemed to have irrevocably appointed the company or any person nominated for the purpose by the company to be his agent and to execute all necessary transfer(s) and indemnities for lost share certificates or other documents on his behalf, against receipt by the company (on trust for such holder) of the purchase price payable for the Sale Shares, and to deliver such transfer(s) to the buyer(s) as the holder thereof. After the buyer(s) have been registered as the holder of the Sale Shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 15.
- 15.13 For the avoidance of doubt, if the Seller is also a director, he shall not be an Eligible Director and shall not vote or count in the quorum in relation to decisions of the Company pertaining to the potential sale by the Seller of Sale Shares and/or any related matters including assessing the Fair Value and/or whether the Seller is a Good Leaver or Bad Leaver.

## 16. DRAG ALONG

- 16.1 The provisions of this article 16 shall not apply to any transfer to (a) an existing shareholder in the company; or (b) a transfer required to be made in accordance with article 15; or (c) a transfer to the company; or (d) a transfer made in accordance with article 14.7.3.
- 16.2 Subject to article 16.1, this article 16 applies if any shareholder or shareholders (**Seller**) proposes to transfer an interest in any shares by way of a bona fide sale on arms' length terms to any third party who is not an existing shareholder and who is not connected (being "connected" within the meaning of section 1122 of the corporation Tax Act 2010) with any shareholder (**Buyer**) which would result (whether by that transaction or a series of related transactions) in that person on his own or with or through his connected persons obtaining direct or indirect control of 60% or more of the shares in the company (a **Proposed Transfer**).
- 16.3 Where this article 16 applies, the Seller may require all the other shareholders (**Called Shareholders**) to transfer their shares to the Buyer (or to such person as the Buyer directs) by giving notice to that effect to the Called Shareholders (**Drag Notice**). The Drag Notice must:
- 16.3.1 subject to article 16.4, be irrevocable and unconditional (except for any conditions which apply to the proposed transfer and except that it may be conditional on completion of the sale of the Seller's shares to the Buyer (**Completion**));
  - 16.3.2 state that the remaining shareholders are required to transfer all their shares pursuant to this article 16 with full title guarantee;
  - 16.3.3 state the person to whom the shares are to be transferred;
  - 16.3.4 state the consideration being paid per share for those shares (which may be, or include, non-cash consideration) and which shall for each called share be an amount equal to the price per share offered by the Buyer for the Seller's shares of the same class;
  - 16.3.5 state the date (if then known) on which Completion is expected to take place; and
  - 16.3.6 specify what is required for the Called Shareholders to give effect to the transfer.
- 16.4 Once given a Drag Notice may not be revoked saved with the prior consent of the directors. However, a Drag Notice shall lapse if for any reason the Seller has not completed the Proposed Transfer within 60 Business Days of serving the Drag Notice. The Seller may serve further Drag Notices following the lapse of any particular Drag Notice.
- 16.5 Completion of the sale of the shares by the Called Shareholders shall take place simultaneously with Completion unless agreed otherwise between the company, the Buyer and the Called Shareholders.
- 16.6 On or before Completion, the Called Shareholders shall execute and deliver stock transfer forms for their shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the company. On Completion, either the Buyer shall pay the Called Shareholders directly or, to the extent that the company was put in funds by the Buyer

specifically for the purchase price of the Called Shares, the company shall pay the Called Shareholders on behalf of the Buyer. The company's receipt for the price shall be a good discharge to the Buyer. The company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest. To the extent that the Buyer has not, on Completion, either paid the Called Shareholders directly or put the company in funds to pay the purchase price due in respect of the called shares, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant called shares.

16.7 If any Called Shareholder does not, on or before the Completion Date, execute and deliver transfer(s) in respect of all of the called shares held by him, each defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be its agent to execute all necessary transfer(s) and indemnities for lost share certificates or other documents on its behalf, against receipt by the company (on trust for such holder) of the purchase price payable for the called shares, and to deliver such transfer(s) to the Buyer (or as it may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder of the called shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 16.

16.8 Upon any person, following the issue of a Drag Notice, becoming a shareholder (or increasing an existing shareholding) including, without limitation, pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares (**New Shareholder**), a Drag Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Notice. The New Shareholder shall then be bound to sell and transfer all shares acquired by him to the Buyer (or as the Buyer may direct) and the provisions of this article 16 shall apply, with the necessary changes, to the New Shareholder except that completion of the sale of the shares shall take place at Completion or immediately upon the New Shareholder becoming a shareholder of the company, if later.

## 17. TAG ALONG

17.1 The provisions of this article 17 shall not apply to any transfer to: (a) an existing shareholder in the company; or (b) a transfer required to be made in accordance with article 15; or (c) a transfer to the company; or (d) a transfer made in accordance with article 14.7.3; or (e) a transfer in relation to which a Drag Notice has already been given under article 16.

17.2 This article 17 applies if any shareholder or shareholders (**Seller**) proposes to transfer an interest in any shares to any bona fide third party who is not an existing shareholder and who is not connected (being "connected" within the meaning of section 1122 of the corporation Tax Act 2010) with any shareholder (**Buyer**), which would result (whether by that transaction or a series of related transactions) in that person on his own or with or through his connected persons obtaining direct or indirect control of 80% (**Proposed Transfer**).

17.3 Where this article applies, the Proposed Transfer may not be made (and must not be registered by the directors) unless the Seller procures that the Buyer makes a bona fide written offer (**Tag Offer**) to all the other shareholders (**Other Shareholders**) to purchase all the shares in the capital of the company then in issue. That offer must be for a price per share which is at least equal to the price per share for shares of the same class, to be paid by the Buyer for the Proposed Transfer.

17.4 The Tag Offer must:

- 17.4.1 be irrevocable and, save for being conditional upon completion of the Proposed Transfer (and any conditions which apply to the proposed transfer), be unconditional;
  - 17.4.2 give a date by which it is open for acceptance by the other shareholders by giving notice in writing to the company; and
  - 17.4.3 specify: (a) the identity of the Buyer; (b) the consideration being paid per share for those shares (which may be, or include, non-cash consideration) and which shall for each tag share be an amount equal to the price per share offered by the Buyer for the Seller's shares of the same class (c) the proposed date of the sale.
- 17.5 If the Buyer fails to make the Tag Offer, the Seller shall not be entitled to complete the Proposed Transfer and the company shall not register any transfer of shares effected in accordance with the proposed transfer.
- 17.6 Subject to 17.7, if the Tag Offer is accepted by any shareholder (**Accepting Shareholder**) by the date referred to at 17.4.2 above, the completion of the Proposed Transfer shall be conditional upon the completion of the purchase of all of the shares held by the Accepting Shareholder(s), which shall take place simultaneously with the Proposed Transfer.
- 17.7 If any Accepting Shareholder does not, on or before the proposed completion date, execute and deliver transfer(s) in respect of all of their shares, each defaulting Accepting Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Seller to be his agent to execute all necessary transfer(s) and indemnities for lost share certificates or other documents on his behalf, against receipt by the company (on trust for such holder) of the purchase price payable for the tag shares, and to deliver such transfer(s) to the Buyer (or as it may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder of the tag shares, the validity of such proceedings shall not be questioned by any person. Failure to produce a share certificate shall not impede the registration of shares under this article 17.
- 17.8 If any person (whether or not a shareholder and who is not the Seller) has, at or after the time of the Tag Offer, rights granted by the company to acquire shares and who may exercise those rights during the period during which the offer remains open for acceptance or on completion of the Tag Offer, the Tag Offer must also be extended to those persons.

## **DECISION MAKING BY SHAREHOLDERS**

### **18. POLL VOTES**

- 18.1 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.
- 18.2 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.

### **19. PROXIES**

- 19.1 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".

- 19.2 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**

### **20. MEANS OF COMMUNICATION TO BE USED**

- 20.1 Subject to article 20.2, any notice, document or other information shall be deemed served on, or delivered to, the intended recipient:

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

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

20.1.3 if sent by pre-paid United Kingdom first class post, recorded delivery or special delivery to an address in the United Kingdom, at 9.00 am on the second Business Day after posting; or

20.1.4 if sent by pre-paid airmail to an address outside the country from which it is sent, at 9.00 am on the fifth Business Day after posting; or

20.1.5 if sent by international overnight courier to an address outside the country from which it is sent, on signature of a delivery receipt; or

20.1.6 if sent or supplied by e-mail, at the time of transmission of the notice, document or information was sent or supplied; or

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

20.1.8 if deemed receipt under the previous paragraphs of this article 20.1 would occur outside business hours (meaning 9.00 am to 5.30 pm on a Business Day), at 9.00 am on the next Business Day. For the purposes of this article, all references to time are to local time in the place of deemed receipt.

- 20.2 To prove service, it is sufficient to prove that:

20.2.1 if delivered by hand or by courier, the notice was delivered to the correct address; or

- 20.2.2 if sent by fax, a transmission report was received confirming that the notice was successfully transmitted to the correct fax number; or
- 20.2.3 if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted; or
- 20.2.4 if sent by email, the notice was properly addressed and sent to the e-mail address of the recipient.

## **21. INDEMNITY AND INSURANCE**

### **21.1 In this article:**

- 21.1.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 21.1.2 a "relevant officer" means any director or other officer or former director or other officer of the company or an associated company, 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);
- 21.1.3 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

### **21.2 Subject to article 21.3, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:**

- 21.2.1 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 in the actual or purported execution and/or discharge of his duties, or in relation to them; and including 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
- 21.2.2 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 21.2.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

### **21.3 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.**

### **21.4 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.**