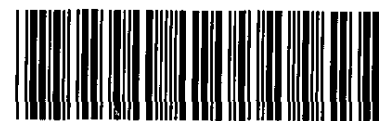


Company number 11525761

**PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
STORTFORD HOLDINGS LIMITED
(Company)**

SATURDAY



A04 *A86QE1UG* 01/06/2019 #36
COMPANIES HOUSE

21st MAY 2019 (Circulation Date)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (**CA 2006**), the director of the Company proposes that the following special resolutions (**Resolutions**) be passed:

1. ADOPTION OF ARTICLES OF ASSOCIATION

- 1.1 THAT the draft articles of association attached to these resolutions be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the Company's existing articles of association.

2. RE-DESIGNATION OF SHARE CLASS AND VARIATION OF CLASS RIGHTS

- 2.1 THAT, in accordance with section 630 of the Companies Act 2006, the 1 ordinary share in the Company be re-designated as 1 A ordinary share and the rights attaching to it be varied in accordance with the Articles of Association adopted pursuant to resolution 1.1.

3. AUTHORITY TO ALLOT

- 3.1 THAT, in accordance with section 551 of the CA 2006, the directors of the Company (**Directors**) be generally and unconditionally authorised to allot 74 A ordinary shares of £1.00 each in the capital of the Company, provided that this authority shall, unless renewed, varied or revoked by the Company, expire 90 days after this resolution being passed.
- 3.2 This authority revokes and replaces all unexercised authorities previously granted to the Director.

4. DISAPPLICATION OF PRE-EMPTION RIGHTS

- 4.1 THAT, subject to the passing of resolution 3.1 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 3.1, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall:

4.1.1 be limited to the allotment of equity securities as follows:

4.1.1.1 74 A Ordinary shares of £1.00 each in the capital of the Company; and

4.1.2 expire 90 days after this resolution being passed (unless renewed, varied or revoked by the Company prior to or on that date).

AGREEMENT

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

The undersigned, being the person entitled to vote on the above Resolutions, hereby irrevocably agrees to the Resolutions:

Signed by 

JAMES PHIROZE NANIA

Date: 21/5/2019

NOTES

1. You can choose to agree to all of the Resolutions or none of them, but you cannot agree to only one of them. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company using one of the following methods:
 - 1.1 **By Hand:** delivering the signed copy to Stortford House, 231 London Road, Bishop's Stortford, Hertfordshire, United Kingdom, CM23 3LA.
 - 1.2 **By Post:** returning the signed copy by post to Stortford House, 231 London Road, Bishop's Stortford, Hertfordshire, United Kingdom, CM23 3LA.
 - 1.3 **By Email:** returning the signed copy by email to stuart.faulds@stortford-interiors.com
2. If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.
3. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
4. Unless sufficient agreement has been received for the Resolutions to pass by the date falling 28 days after the Circulation Date, it will lapse. If you agree to the Resolutions, please indicate your agreement and notify us as soon as possible.
5. If you are signing this document on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document.

Company No. 11525761

ARTICLES OF ASSOCIATION OF STORTFORD HOLDINGS LIMITED

A private company limited by shares

Incorporated on 20 August 2018

Adopted by special resolution passed on

25th May

2019

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION
OF
STORTFORD HOLDINGS LIMITED

Adopted by special resolution passed on

2019

1. **PRELIMINARY**

- 1.1 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 (**Model Articles**) apply to the Company except insofar as they are excluded or varied by these Articles.

2. **DEFINITIONS AND INTERPRETATION**

- 2.1 The following definitions apply in these Articles:

A Ordinary Shares	the A Ordinary Shares of £1.00 each in the capital of the Company;
Acting in Concert	the meaning set out in the City Code on Takeovers and Mergers for the time being;
Appointor	has the meaning given in Article 10.1;
Articles	these articles of association as amended, supplemented, varied or replaced from time to time;
Auditors	the auditors of the Group for the time being;
Bankruptcy Event	a bankruptcy order made against a Shareholder or an arrangement or composition being made

	with his creditors;
Board	the board of directors from time to time of the Company;
Business Day	any day other than a Saturday, Sunday or public holiday in England on which banks in London are open for business;
CA 2006	the Companies Act 2006;
Company	Stortford Holdings Limited;
Connected Person	the meaning given to that expression in section 993 of the Income Taxes Act 2007 and " connected with " shall be construed accordingly;
Controlling Interest	those shareholders for the time being holding more than 75 per cent of all Shares held by Shareholders;
Deemed Sale Notice	has the meaning given to it in the Shareholders' Agreement;
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);
Family Member	the wife or husband or civil partner (or widow or widower or surviving civil partner), children and grandchildren (including step and adopted children and grandchildren) of a holder;
Family Trust	in relation to a Shareholder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Shareholder or any of his Family Members and under which no power of control over the voting powers conferred by any such Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or

	such Shareholder or any of his Family Members;
Group	the Company and each of its subsidiaries from time to time and Group Company is to be construed accordingly;
Loan Notes	has the meaning as stated in the Shareholders' Agreement;
Majority Consent	written consent of a majority of the Board;
Offer Notice	as the context requires, has the meaning given to it in Article 16.4;
Offer Period	as the context requires, has the meaning given to it in Article 16.5;
Ordinary Redeemable B Shares	the Ordinary Redeemable B Shares of £20,000.00 each in the capital of the Company;
Sale Notice	has the meaning given to it in Article 16.1;
Sale Shares	as the context requires, has the meaning given to it in Article 16.1;
Seller	any Shareholder who wishes, or is required, to transfer any Share to a person to whom Article 15.2 does not apply;
Shareholder	all those persons who are holders of Shares (excluding the Company);
Shareholder Majority	all the holders for the time being of the Ordinary Redeemable B Shares plus the holders for the time being of A Ordinary Shares together holding not less than 50 per cent of all A Ordinary Shares in issue from time to time as long as the Ordinary Redeemable B Shares remain in issue and, once the Ordinary Redeemable B Shares have been redeemed in full by the Company, those Shareholders for the time being holding not less than 75 per cent of all Shares held by Shareholders;

Shareholders' Agreement the shareholders' agreement dated _____ 2019 made between the Company and the Shareholders as the same may be amended, supplemented or replaced from time to time; and

Shares the A Ordinary Shares and the Ordinary Redeemable B Shares.

- 2.2 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 CA 2006 shall have the same meanings in these Articles.
- 2.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 2.4 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.
- 2.5 A reference to a statute or statutory provision shall include all subordinate legislation made from time to time.
- 2.6 The terms **including, include, in particular** or any similar expression will not limit the sense or application of any words preceding those terms.
- 2.7 A reference to a **subsidiary** means a subsidiary as defined in Section 1159 CA 2006.
- 2.8 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 18(e), 26(5), 44(2), 52 and 53 of the Model Articles shall not apply to the company.
- 2.9 Article 7 of the Model Articles shall be amended by:
- 2.9.1 the insertion of the words **for the time being** at the end of Article 7(2)(a); and
- 2.9.2 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**.
- 2.10 Article 20 of the Model Articles shall be amended by the insertion of the words **(including alternate directors) and the secretary** before the words **properly incur**.

- 2.11 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**.
- 2.12 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"**.
- 2.13 Article 31(a) to (d) (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"**.
- 2.14 The definition of **"Subsidiary"** in the Model Articles shall be amended by the addition of the following words **"and a company shall be treated, for the purpose only of the membership requirement contained in subsections 1159(1)(b) and (c), as a member of another company even if its shares in that other company are registered in the name of (a) another person (or its nominee), whether by way of security or in connection with the taking of security, or (b) its nominee."**

DIRECTORS

3. UNANIMOUS DECISIONS

- 3.1 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.
- 3.2 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.
- 3.3 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.

4. CALLING A DIRECTORS' MEETING

- 4.1 Any director may call a directors' meeting by giving not less than 4 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.

5. QUORUM FOR DIRECTORS' MEETINGS

- 5.1 Subject to Articles 5.2 and 5.4, the quorum for the transaction of business at a meeting of directors is one director.

5.2 For the purposes of any meeting (or part of a meeting) held pursuant to section 175(4)(b) CA 2006 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.

5.3 If within 15 minutes of the date and time set for a meeting of the directors a quorum is not present, those directors shall have the option to either:

5.3.1 dissolve the meeting; or

5.3.2 adjourn the meeting for a date and time not less than 7 days after the date of the inquorate meeting in which case, provided all directors have been given valid notice of the date and timing of the adjourned meeting, those directors present at the adjourned meeting shall constitute a quorum.

5.4 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:

5.4.1 to appoint further directors; or

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

6. CASTING VOTE

6.1 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman will have a casting vote.

7. DIRECTORS' INTERESTS

7.1 Subject to these Articles and CA 2006, and provided he has disclosed to the directors the nature and extent of any interest of his, a director:

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

7.1.2 shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;

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

- 7.1.4 may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- 7.1.5 may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested; and
- 7.1.6 shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the CA 2006)) 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 CA 2006.

8. RECORDS OF DECISIONS TO BE KEPT

- 8.1 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.

9. NUMBER OF DIRECTORS

- 9.1 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 (who, if a sole director, must be a natural person in accordance with section 155 of the CA 2006).
- 9.2 No director shall be appointed other than in accordance with the Shareholders' Agreement or with Majority Consent.

10. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 10.1 Any director (**appointor**) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to:
 - 10.1.1 exercise that director's powers; and
 - 10.1.2 carry out that director's responsibilities,

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

10.2 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.

10.3 The notice must:

10.3.1 identify the proposed alternate; and

10.3.2 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.

11. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

11.1 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.

11.2 Except as the Articles specify otherwise, alternate directors:

11.2.1 are deemed for all purposes to be directors;

11.2.2 are liable for their own acts and omissions;

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

11.2.4 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.

11.3 A person who is an alternate director but not a director:

11.3.1 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);

11.3.2 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

- 11.3.3 shall not be counted as more than one director for the purposes of this Article 11.3.
- 11.4 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.
- 11.5 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.
- 12. TERMINATION OF ALTERNATE DIRECTORSHIP**
- 12.1 An alternate director's appointment as an alternate terminates:
- 12.1.1 when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate;
 - 12.1.2 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;
 - 12.1.3 on the death of the alternate's appointor; or
 - 12.1.4 when the alternate's appointor's appointment as a director terminates.

SHARES

13. SHARE RIGHTS AND RESTRICTIONS

- 13.1 The issued share capital in the Company on the date of the adoption of these Articles is £500,075.00 divided as follows:
- 13.1.1 75 A Ordinary Shares; and
 - 13.1.2 25 Ordinary Redeemable B Shares.
- 13.2 The Shares rank *pari passu* in all respects except that the following special rights and restrictions are attached to and imposed on the Shares.

13.3 On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities (the **Surplus Assets**) (to the extent that the Company is lawfully able to do so) shall be applied as follows:

13.3.1 first in paying to the holder(s) of the Ordinary Redeemable B Shares a sum of £500,000; and

13.3.2 the balance of such assets shall be distributed amongst the holders of the A Ordinary Shares *pro rata* to the number of Shares held.

VOTING

13.4 The holders of the Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and any such holder who (being an individual) is present in person or by proxy or (being a body corporate) is present by duly authorised representative or by proxy shall be entitled to one vote for every Share held by him on a resolution, on a show of hands or on a poll taken at a meeting.

13.5 On a vote on a written resolution, the holders of the Shares shall be entitled to vote in accordance with article 13.4.

13.6 No variation of the rights attaching to any class of Shares shall be effective except with the sanction of a special resolution of the holders of the Shares of that class.

13.7 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the Act.

DIVIDENDS

13.8 The Ordinary Redeemable B Shares shall rank *pari passu* with the A Ordinary Shares in respect of rights to dividends.

REDEMPTION OF ORDINARY REDEEMABLE B SHARES

13.9 Subject to Article 13.10, the Company may, by notice in writing and upon tendering to a registered holder of the Ordinary Redeemable B Shares the amount of capital paid up thereon, redeem the Ordinary Redeemable B Shares in full at any time after the Loan Notes have been repaid by the Company and in any event no later than 42 months from the date of adoption of these Articles (subject to the provisions of the CA 2006) and such holder shall be bound to deliver up any certificate which he may have representing the same; and upon redemption the name of the registered holder shall be removed from the register of members of the Company.

- 13.10 If Ordinary Redeemable B Shares are not redeemed by the Company pursuant to Article 13.9, the Company must, by notice in writing and upon tendering to a registered holder of the Ordinary Redeemable B Shares the amount of capital paid up thereon, redeem the Ordinary Redeemable B Shares in full no later than 42 months from the date of adoption of these Articles (subject to the provisions of the CA 2006) and such holder shall be bound to deliver up any certificate which he may have representing the same; and upon redemption the name of the registered holder shall be removed from the register of members of the Company.
- 13.11 The Company shall redeem the Ordinary Redeemable B Shares in full upon the creation of a Controlling Interest in relation to the Company whether pursuant to Article 17 or Article 18 or otherwise.

TRANSFER OF SHARES

14. GENERAL

The directors of the Company shall only refuse to register a transfer if it is made in contravention of the Articles, is a transfer which they suspect to be fraudulent or where the directors are otherwise authorised by these Articles to refuse to register the transfer. If the directors do refuse to register a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant transfer form was lodged with the Company, return the transfer form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

15. PERMITTED TRANSFERS

15.1 Permitted transfers by all Shareholders

- 15.1.1 Any Shareholder may at any time transfer any Shares, in accordance with the provisions of CA 2006, to the Company.
- 15.1.2 Any Shareholder may at any time transfer all or any of his Shares to any other person with the prior written consent of the Shareholder Majority.
- 15.1.3 Any Shares may be transferred pursuant to Article 17 (Tag along) and/or Article 18 (Drag along).

15.2 Permitted family transfers

- 15.2.1 Subject to Articles 15.2.2 to 15.2.6 inclusive, any Shareholder may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board (with Majority Consent) acting in good faith to be:

- 15.2.1.1 a Family Member of his; or
- 15.2.1.2 trustees to be held under a Family Trust in relation to that individual.
- 15.2.2 Subject to Article 15.2.4, no Shares shall be transferred under Article 15.2.1 by an individual who previously acquired those Shares by way of transfer under Article 15.2.1 save to another individual who is a Family Member of the original holder of such Shares or to trustees to be held under a Family Trust in relation to the original holder of such Shares.
- 15.2.3 No transfer of Shares shall be made by a holder under Article 15.2.1 if the proposed transfer will result in 50% per cent or more by nominal value of the Shares originally held by the Shareholder being held by that Shareholder's Family Trust and Family Members.
- 15.2.4 Where Shares are held by trustees under a Family Trust:
 - 15.2.4.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved by Majority Consent; and
 - 15.2.4.2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under Article 15.2.1 if he had remained the Shareholder in relation to them.
- 15.2.5 If any person has acquired Shares as a Family Member of a Shareholder by way of one or more transfers permitted under this Article 15.2 and:
 - 15.2.5.1 that person dies or ceases to be a Family Member of that Shareholder; or
 - 15.2.5.2 that person suffers a Bankruptcy Event,then that person (or, where applicable, his personal representatives or trustee in bankruptcy) shall forthwith transfer all the Shares then held by that person back to that Shareholder, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall be treated as having given a Deemed Sale Notice in respect of all the Shares then held by that person pursuant to provisions of the Shareholders' Agreement.

- 15.2.6 If where the personal representatives of a deceased Shareholder are permitted to transfer Shares pursuant to clause 5.13 of the Shareholders' Agreement then those Shares may be transferred by those personal representatives to any person to whom the deceased holder could have transferred such Shares under this Article 15.2 if he had remained the Shareholder of them.

16. VOLUNTARY TRANSFERS

- 16.1 Except as permitted under Article 15, any Seller who wishes to transfer Shares shall give notice in writing (**Sale Notice**) to the Company of his wish specifying:

16.1.1 the number of Shares which he wishes to transfer (**Sale Shares**) ;

16.1.2 the name of any third party to whom he proposes to sell or transfer the Sale Shares; and

16.1.3 the price at which he wishes to transfer the Sale Shares (**Sale Price**).

- 16.2 The Seller may state in the Sale Notice that he is only willing to transfer all the Sale Shares in which case no Sale Shares can be sold unless offers are received for all of them.

- 16.3 The Sale Notice shall constitute the Company the agent of the Seller for the sale of the Sale Shares upon the following terms:

16.3.1 the price for the Sale Shares is the Sale Price; and

16.3.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.

- 16.4 Within five Business Days of the receipt by the Company of a Sale Notice, the Company shall offer the Sale Shares comprised in the Sale Notice to persons in the following priority (the **Offer Notice**):

16.4.1 to the Company; and subject thereto;

16.4.2 to the Shareholders (other than the Seller) pro rata to their respective holdings of Shares,

and any person to whom the Sale Shares are offered will be at liberty to accept some or all of the Shares so offered.

- 16.5 Every Offer Notice shall be made in writing and shall remain open for acceptance for the period (the **Offer Period**) expiring 15 Business Days after the date on which the offer is made.

- 16.6 In the event that a Shareholder declines to accept all of the Sale Shares offered to him such Sale Shares shall be re-offered in like manner and upon the same terms to those Shareholders who accepted all the Sale Shares previously offered to them and such re-offering shall be repeated until such time as all the Sale Shares have been accepted or until the Shareholders shall have declined to accept any more of them. In such event, any remaining Sale Shares may, if the Board elects, be purchased by the Company. For the avoidance of doubt, every further offer of Shares pursuant to this Article 16.6 shall be deemed to extend the Offer Period by a further 5 Business Days.
- 16.7 If the Company shall during the Offer Period find a Shareholder or Shareholders willing to purchase any of the Sale Shares comprised in a Sale Notice or if the Company itself wishes to purchase any of the Sale Shares (all such persons called the **Purchasers**), the Company shall give written notice to the Seller of the name and address of each Purchaser and the number of Sale Shares agreed to be purchased by such Purchaser, whereupon the Seller shall be bound, upon payment of the Sale Price, to transfer to the Purchasers the Sale Shares agreed to be purchased by them respectively.
- 16.8 Except in the case of a purchase by the Company, the sale and purchase shall be completed at a place and time (being not less than 5 Business Days nor more than 10 Business Days after the expiry of the Offer Period) to be appointed by the Directors. In the case of a purchase by the Company, such purchase shall be completed not more than 10 Business Days after the requirements of Chapter 4 of Part 18 of CA 2006 have been complied with and the Shareholders hereby undertake that they will exercise their votes so that (as far as they can) the requirements of CA 2006 are complied with.
- 16.9 If the Seller makes default in transferring the Sale Shares the Board are irrevocably authorised to appoint any person they nominate as agent or attorney on behalf of the Seller to transfer the Sale Shares on the Seller's behalf and to do anything else that the other Shareholders may reasonably require to complete the sale and the Company may receive the purchase price on trust for the Seller (without any obligation to pay interest) giving a receipt that shall discharge the other Shareholders.
- 16.10 In the event of all the Sale Shares not being sold under the preceding paragraphs of this Article 16 the Seller may, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all the Sale Shares (if Article 16.2 does apply) or any Sale Shares which have not been sold (if Article 16.2 does not apply) to any person or persons at any price not less than the Sale Price provided that:

- 16.10.1 the Board shall refuse registration of the proposed transferee unless the Company has Majority Consent to transfer the Sale Shares;
- 16.10.2 if the provisions of Article 16.2 applied to the Sale Notice, the Seller shall not be entitled, save with the written consent of all the other Shareholders, to sell hereunder only some of the Sale Shares comprised in the Sale Notice to such person or persons;
- 16.10.3 any such sale shall be a bona fide sale and the Board may request such information as it reasonably deems necessary to satisfy itself that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Sale Price without any deduction, rebate or allowance whatsoever to the Buyer and, if not so satisfied, may refuse to register the instrument of transfer; and
- 16.10.4 the Board shall refuse registration of the proposed transferee if such transfer obliges the Seller to procure the making of an offer in accordance with Article 17 (**Tag Along**), until such time as such offer has been made and, if accepted, completed.

17. **CHANGE OF CONTROL – TAG ALONG**

- 17.1 Subject to Article 17.2, if the effect of any transfer of Shares by a Seller would, if completed, result in the transferee (together with his Connected Persons and any persons Acting in Concert with the transferee) obtaining a Controlling Interest, the Seller shall procure the making by such transferee of a Tag Along Offer to all of the other Shareholders. Every Shareholder, on receipt of a Tag Along Offer, shall be bound within 20 Business Days of the date of such offer (or within such longer period as the offer may specify) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Tag Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.
- 17.2 The provisions of Articles 17.1 shall not apply to any transfer of Shares pursuant to Article 15 (other than Article 15.1.3).
- 17.3 **Tag Along Offer** means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase Shares held by the recipients of a Tag Along Offer, free from all liens, charges and encumbrances, in each case at a price per Share equal to the highest price per Share (including the cash equivalent of any non-cash consideration) paid or to be paid by any transferee referred to in Article 17.1 (or any person with whom such transferee is connected with or with whom such transferee is Acting in Concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Tag Along Offer) within the period of one year ending on the proposed date of completion of such transfer of Shares.

17.4 In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred to the Auditors and Article 19 (**Valuation of Shares**) shall apply.

17.5 For the avoidance of doubt, the pre-emption provisions set out in Article 16 shall not apply to a transfer of Shares pursuant to a Tag Along Offer.

18. **CHANGE OF CONTROL – DRAG ALONG**

18.1 If the Shareholder Majority wish to transfer all of their interest in their Shares (**Sellers' Shares**) to a bona fide arm's length purchaser (**Proposed Buyer**), the Shareholder Majority may require all other Shareholders (**Called Shareholders**) to sell and transfer all their Shares to the Proposed Buyer (or as the Proposed Buyer directs) on the same terms and conditions as the Shareholder Majority agree to sell to the Proposed Buyer in accordance with the provisions of this Article 18 (**Drag Along Option**).

18.2 The Shareholder Majority may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before the transfer of the Sellers' Shares to the Proposed Buyer. The Drag Along Notice shall specify:

18.2.1 that the Called Shareholders are required to transfer all their Shares (**Called Shares**);

18.2.2 the person to whom the Called Shares are to be transferred;

18.2.3 the consideration payable for the Called Shares which shall, for each Called Share, be an amount equal to the price per Seller Share (including the cash equivalent of any non-cash consideration). Any dispute over the price shall be referred to the Auditors and Article 19 shall apply; and

18.2.4 the proposed date of the transfer.

18.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Shareholder Majority have not sold the Sellers' Shares to the Proposed Buyer within 60 Business Days of serving the Drag Along Notice. The Shareholder Majority may serve further Drag Along Notices following the lapse of any particular Drag Along Notice.

18.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this Article 18.

18.5 Completion of the sale of the Called Shares shall take place on the Completion Date. **Completion Date** means the date proposed for completion of the sale of the Sellers' Shares as specified in the Drag Along Notice unless all of the Called

Shareholders and the Shareholder Majority agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Shareholder Majority.

- 18.6 The rights of pre-emption set out in Article 16 shall not apply to any transfer of shares to a Proposed Buyer (or as it may direct) pursuant to a sale for which a Drag Along Notice has been duly served.
- 18.7 Within 10 Business Days of the Shareholder Majority serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay the Called Shareholders, on behalf of the Proposed Buyer, the amounts they are due for their Shares to the extent that the Proposed Buyer has put the Company in the requisite funds. The Company's receipt for the price shall be a good discharge to the Proposed Buyer. The Company shall hold the amounts due to the Called Shareholders in trust for the Called Shareholders without any obligation to pay interest.
- 18.8 To the extent that the Proposed Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due, 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 and the Called Shareholders shall have no further rights or obligations under this Article 18 in respect of their Shares.
- 18.9 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfers in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Proposed Buyer (or as they may direct) as the holder thereof. After the Proposed Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of shares under this Article 18.

19. VALUATION OF SHARES

- 19.1 In the event that the Auditors are required to determine the price at which Shares are to be transferred pursuant to these Articles, the Company shall engage and instruct the Auditors (which instructions shall be made as soon as practicable following the time it becomes apparent that a valuation is required), to give their written opinion as to the price which represents a fair value for such Shares as

between a willing seller and a willing buyer as at the date the Sale Notice is given or, in the case of a Deemed Sale Notice, on the date of the relevant Sale Event.

- 19.2 In making such determination, the Auditors shall take into account such factors as they believe relevant to make such determination. In the event that the Auditors decline to accept an instruction to provide a valuation pursuant to this Article 19, then the price will be determined by a person agreed upon by the Seller and the Board or, failing agreement, within 10 days of the service of the Sale Notice or Deemed Sale Notice then a person nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales on the application of the Board to be appointed to determine the valuation and confirm the same to the Company in writing. Any reference in these Articles to the Auditors shall include such person so agreed or nominated.

SHARES

20. PURCHASE OF OWN SHARES

- 20.1 Subject to the Act and without prejudice to any other provision of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 CA 2006, including (without limitation) out of capital up to any amount in a financial year not exceeding the lower of:

20.1.1 £15,000; and

20.1.2 the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

21. ALLOTMENT OF SHARES

- 21.1 The directors are prohibited from exercising any of the powers conferred upon them by section 550 CA 2006.

DECISION MAKING BY SHAREHOLDERS

22. POLL VOTES

- 22.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 CA 2006) present and entitled to vote at the meeting.
- 22.2 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.

23. PROXIES

- 23.1 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".
- 23.2 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

24. INDEMNITY

- 24.1 Subject to Article 24.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

24.1.1 each relevant officer shall be indemnified out of the company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer:

24.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them; and

24.1.1.2 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) CA 2006),

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

24.1.2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 24.1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

24.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of CA 2006 or by any other provision of law.

24.3 In this Article:

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

24.3.2 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) CA 2006), 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).

25. **INSURANCE**

25.1 The Board 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.*

25.2 In this Article:

25.2.1 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) CA 2006), 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);

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

25.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.