

Company number: 08044729

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS
of

BRENIG CONSTRUCTION LIMITED
(Company)

Circulation date: *22nd January* 2019₂₃

WEDNESDAY



A11 *A8XPH0XA* #206
29/01/2020
COMPANIES HOUSE

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (**Act**), the directors of the Company propose that resolution 1 is passed as an ordinary resolution and resolution 2 is passed as a special resolution (**Resolutions**).

ORDINARY RESOLUTION

1. THAT the ordinary shares of £1 each in the capital of the Company be re-designated as follows.
 - a) 39 ordinary shares of £1 each held by Howard Rhys Vaughan be re-designated as 39 A ordinary shares of £1 each;
 - b) 39 ordinary shares of £1 each held by Mark Timothy Parry be re-designated as 39 B ordinary shares of £1 each;

such shares having attached thereto the respective rights set out in the Company's articles of association (as adopted pursuant to resolution 2 below).

SPECIAL RESOLUTION

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

AGREEMENT

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

The undersigned, being the persons entitled to vote on the Resolutions on 22nd January 2019,
hereby irrevocably agree to the Resolutions.

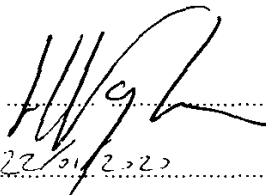
Signed by
Mark Timothy Parry



Date

22/01/2020

Signed by
Howard Rhys Vaughan



Date

22/01/2020

NOTES

1. This document contains a proposed written resolution of the Company for approval by you as members of the Company. The ordinary resolution requires members holding a simple majority of the total voting rights of all members entitled to vote on such resolution to vote in favour of it to be passed. The special resolution requires members holding not less than 75% of the total voting rights of members entitled to vote on such resolution to vote in favour of it to be passed.
2. If you agree with the Resolutions, please indicate your agreement by signing and dating this document where indicated above and returning the signed version either by hand or by post to Knights Plc, HQ Offices, 58 Nicholas Street, Chester CH1 2NP. 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. The Resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to it by the end of the 28 days beginning with the circulation date set out above. If you agree to the Resolutions, please ensure that your agreement reaches us before that date.
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. 08044729

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

BRENIG CONSTRUCTION LIMITED

(Adopted by special resolution passed on *22nd January* *2019*)

INTRODUCTION

1. INTERPRETATION

1.1 In these Articles, the following words have the following meanings:

Appointor:	has the meaning given in article 12.1;
Articles:	the Company's articles of association for the time being in force,
A Director:	a director appointed to the board of directors of the Company by the holder of the A Shares (other than the Nominated Director);
A Share:	an ordinary share of £1.00 in the capital of the Company designated as an A ordinary share and A Shares shall be construed accordingly;
B Director:	a director appointed to the board of directors of the Company by the holder of the B Shares (other than the Nominated Director);
B Share:	an ordinary share of £1.00 in the capital of the Company designated as a B ordinary share and B Shares shall be construed accordingly;
Business Day:	a day other than a Saturday, Sunday or public holiday in England and Wales when banks in London are open for business,
CA 2006:	the Companies Act 2006,
Company:	Brenig Construction Limited, a company incorporated in England and Wales with company number

08044729 whose registered office is at Brenig House, Parc Busnes Cartrefi Conwy Business Park, Station Road, Mochdre, Colwyn Bay LL28 5EF;

Company's Lien:	has the meaning given in article 18;
Compulsory Transfer Shares:	has the meaning given in article 16.2;
Conflict:	a situation in which a director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company;
Continuing Shareholder:	the shareholder on which a Transfer Notice is served,
Deemed Transfer Notice:	a Transfer Notice that is deemed to have been served under any provisions of these Articles;
Defaulting Shareholder:	has the meaning given in article 16 1;
Eligible A Director:	an A Director who would be entitled to vote on the matter at a meeting of directors (but excluding an A Director whose vote is not to be counted in respect of the particular matter);
Eligible B Director:	a B Director who would be entitled to vote on the matter at a meeting of directors (but excluding a B Director whose vote is not to be counted in respect of the particular matter);
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);
Eligible Nominated Director:	a Nominated Director who would be entitled to vote on the matter at a meeting of directors (but excluding a Nominated Director whose vote is not to be counted in respect of the particular matter);
Fair Value:	in relation to shares, as determined in accordance with article 17;
Interested Director:	has the meaning given in article 9.1,
Model Articles:	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 and reference to a numbered Model Article is a reference to that article of the Model Articles;
Nominated Director:	has the meaning given in article 11 1;
Original Shareholder:	a shareholder who holds shares in the Company on the date of adoption of these Articles;

Transfer Notice: a notice in writing given by any shareholder to the other shareholder where the first shareholder is required by these Articles, to transfer (or enter into an agreement to transfer) any shares;

Valuers: the accountants for the time being of the Company or, if they decline the instruction, an independent firm of accountants jointly appointed by the shareholders or, in the absence of agreement between the shareholders on the identity of the expert within 10 Business Days of a shareholder serving details of a suggested expert on the other, an independent firm of accountants appointed by the President, for the time being, of the Institute of Chartered Accountants in England and Wales (in each case acting as an expert and not as an arbitrator); and

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

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the CA 2006 shall have those meanings in these Articles but excluding any statutory modification of them not in force on the date when these Articles become binding on the Company.

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 it is in force on the date when these Articles become binding on the Company.

1.6 A reference to a statute or statutory provision shall include all subordinate legislation made as at the date on which these Articles become binding on the Company under that statute or statutory provision.

1.7 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.

2. ADOPTION OF THE MODEL ARTICLES

- 2.1 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by these Articles or are inconsistent with these Articles, and, subject to any such modifications, exclusions or inconsistencies, shall together with these Articles constitute the articles of association of the Company to the exclusion of any other articles or regulations set out in any statute or in any statutory instrument or other subordinate legislation
- 2.2 Model Articles 6(2), 7, 8, 9(1), 11 to 14 (inclusive), 16, 17, 22(2), 26(5), 36, 38, 39, 43, 44(2), 49 and 50 to 53 (inclusive) shall not apply to the Company.
- 2.3 Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 2.4 In Model Article 25(2)(c), the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 2.5 Model Articles 27(2)(a) and (b) shall be amended by the insertion, in each case, of the words "and to any other agreement to which the holder was party at the time of his death" after the words "subject to the articles".
- 2.6 Model Article 28(2) shall be amended by the deletion of the word "If" and the insertion of the words "Subject to the articles and to any other agreement to which the holder was party at the time of his death, if" in its place.
- 2.7 Model Articles 31(1)(a) to (c) (inclusive) shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Model Article 31(d) shall be amended by the deletion of the words "either" and "or by such other means as the directors decide".

DIRECTORS

3. DIRECTORS' MEETINGS

- 3.1 Any decision of the directors must be taken at a meeting of directors in accordance with these Articles or must be a decision taken in accordance with article 4.
- 3.2 Subject as provided in these Articles, the directors may participate in directors' meetings for the despatch of business, adjourn and otherwise regulate their meetings as they think fit. The directors will meet at least monthly.
- 3.3 All decisions made at any meeting of the directors shall be made only by resolution, and no such resolution shall be passed unless:

- (a) more votes are cast for it than against it; and
- (b) at least one Eligible A Director and one Eligible B Director who is participating in the meeting of directors have voted in favour of it.

3.4 Except as provided by article 4, each director has one vote at a meeting of directors.

3.5 If at any time before or at any meeting of the directors the A Director or the B Director should request that the meeting be adjourned or reconvened to another time or date (whether to enable further consideration to be given to any matter or for other directors to participate or for any other reason, which need not be stated) then such meeting shall be adjourned or reconvened accordingly, and no business shall be conducted at that meeting after such a request has been made. No meeting of directors may be adjourned pursuant to this article more than once.

4. UNANIMOUS DECISIONS OF DIRECTORS

4.1 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.

4.2 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.

4.3 A decision may not be taken in accordance with this article if the Eligible Directors would not have formed a quorum at a directors' meeting to vote on the matter.

5. NUMBER OF DIRECTORS

The number of directors shall not be less than two and no more than three, two of whom must be the A Director and the B Director. No shareholding qualification for directors shall be required

6. CALLING A DIRECTORS' MEETING

6.1 Any director may call a meeting of directors by giving not less than seven Business Days' notice of the meeting (or such shorter period of notice as agreed in writing by the A Director and the B Director) to each director or by authorising the Company secretary (if any) to give such notice.

6.2 Notice of any directors' meeting must indicate.

- (a) its proposed date and time;
- (b) where it is to take place, and

- (c) if it is anticipated that the directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 6.3 Notice of a directors' meeting must be given to each director (including their alternates), but need not be in writing
- 6.4 Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than seven days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 6.5 Notice of any directors' meeting must be accompanied by:
 - (a) an agenda specifying in reasonable detail the matters to be raised at the meeting; and
 - (b) copies of any papers to be discussed at the meeting.
- 6.6 Matters not on the agenda, or business conducted in relation to those matters, may not be raised at a meeting of directors unless HV and MP agree in writing

7. QUORUM FOR DIRECTORS' MEETINGS

- 7.1 The quorum at any meeting of the directors (including adjourned meetings) shall be two directors, of whom one shall be the A Director (or his alternate) and one the B Director (or his alternate).
- 7.2 No business shall be conducted at any meeting of directors unless a quorum is present at the beginning of the meeting and also when that business is voted on.
- 7.3 If a quorum is not present within 30 minutes of the time specified for the relevant meeting in the notice of the meeting then the meeting shall be adjourned for five Business Days at the same time and place.

8. CHAIRING OF DIRECTORS' MEETINGS

The post of chair of the board of directors will be held in alternate years by the A Director or the B Director. The chairperson shall not have a casting vote. If the chairperson for the time being is unable to attend any meeting of the board of directors, the shareholder who appointed him or her shall be entitled to appoint another of his or her nominated directors to act as chair at the meeting.

9. DIRECTORS' INTERESTS

- 9.1 For the purposes of section 175 of the CA 2006, the shareholders (and not the directors) shall have the power to authorise, by resolution and in accordance with the provisions of these Articles, any Conflict proposed to them by any director which would, if not so authorised, involve a director (the **Interested Director**) breaching their duty under section 175 of the CA 2006 to avoid conflicts of interest.
- 9.2 The Interested Director must provide the shareholders with such details as are necessary for the shareholders to decide whether or not to authorise the Conflict, together with such additional information as may be requested by the shareholders.
- 9.3 Any authorisation by the shareholders of a Conflict under this article may (whether at the time of giving the authorisation or subsequently):
- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - (b) 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;
 - (c) provide that the Interested Director will or will not be an Eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the shareholders think fit;
 - (e) 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
 - (f) 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.
- 9.4 Where the shareholders authorise a Conflict:
- (a) the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the shareholders in relation to the Conflict; and
 - (b) the Interested Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the CA 2006, provided he acts in accordance with such terms and conditions (if any) as the shareholders impose in respect of their authorisation.
- 9.5 The shareholders 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.

- 9.6 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 shareholders in accordance with these Articles (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.
- 9.7 Subject to sections 177(5) and 177(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a proposed transaction or arrangement with the Company shall declare the nature and extent of his interest to the other directors before the Company enters into the transaction or arrangement in accordance with the CA 2006.
- 9.8 Subject to sections 182(5) and 182(6) of the CA 2006, a director who is in any way, whether directly or indirectly, interested in a transaction or arrangement that has been entered into by the Company shall declare the nature and extent of his interest to the other directors as soon as is reasonably practicable in accordance with the CA 2006, unless the interest has already been declared under article 9.7
- 9.9 Subject, where applicable, to any terms, limits or conditions imposed by the shareholders in accordance with article 9.3, and provided a director has declared the nature and extent of his interest in accordance with the requirements of the CA 2006, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- (a) may be a party to, or otherwise interested in, any such transaction or arrangement with the Company, or in which the Company is otherwise (directly or indirectly) interested;
 - (b) shall be an Eligible Director for the purposes of any proposed decision of the directors in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - (c) shall be entitled to vote at a meeting of directors or participate in any unanimous decision in respect of such transaction or arrangement or proposed transaction or arrangement in which he is interested;
 - (d) 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;
 - (e) 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
 - (f) 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 contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the

grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the CA 2006.

10. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in a form that enables the Company to retain a copy of such decisions.

11. APPOINTMENT AND REMOVAL OF DIRECTORS

11.1 The Original Shareholder holding A Shares shall be entitled to appoint one person to be an A Director (including himself) of the Company and the Original Shareholder holding B Shares shall be entitled to appoint one person to be a B Director (including himself) of the Company provided always that there is an equal number of A Directors and B Directors. The Original Shareholders shall also be jointly entitled to appoint one other person to be a director of the Company (**Nominated Director**), and remove the Nominated Director, by the prior written approval of each Original Shareholder and by giving notice in writing to the JVC, and to the Nominated Director being removed in the case of removal of a director.

11.2 The Original Shareholder shall be entitled to remove a director whom he appointed, by giving notice in writing to the JVC and the other party, and to the director being removed, in the case of removal of a director. The appointment or removal takes effect on the date on which the notice is received by the JVC or, if a later date is given in the notice, on that date. Each Original Party will consult with the other prior to any appointment or removal of a director. Any director, other than a director who is also an Original Shareholder, who is an employee of the Company and who ceases to be an employee shall be removed from office from the date his employment ceases.

11.3 If any A Director or any B Director shall die or be removed from or vacate office for any cause, the Original Shareholder who appointed him shall appoint in his place another person to be an A Director or a B Director (as the case may be), save that this article shall not apply in the event of the death of any A Director or B Director who is an Original Shareholder.

11.4 Any appointment or removal of a director pursuant to this article shall be in writing and signed by or on behalf of the holder(s) of a majority of the A Shares or B Shares (as the case may be) and served on each of the other shareholders and the Company at its registered office, or delivered to a duly constituted meeting of the directors of the Company and on the director, in the case of his removal. Any such appointment or removal shall take effect when received by the Company or at such later time as shall be specified in such notice.

11.5 The right to appoint and to remove an A Director or B Director under this article shall be a class right attaching to the A Shares and the B Shares respectively

11.6 No A Director or B Director or Nominated Director shall be appointed or removed otherwise than pursuant to these Articles, save as provided by law.

12. ALTERNATE DIRECTORS

12.1 Any director (other than an alternate director) (the **Appointor**) may appoint any person (whether or not a director) other than an existing director representing the other class of shares or the Nominated Director (if not the Appointor), to be an alternate director to exercise the Appointor's powers, and carry out the Appointor's responsibilities, in relation to the taking of decisions by the directors, in the absence of the Appointor. In these Articles, where the context so permits, the term "A Director" or "B Director" or "Nominated Director" shall include an alternate director appointed by an A Director or a B Director or a Nominated Director (as the case may be). A person may be appointed an alternate director by more than one director provided that each of his Appointors represents the same class of shares but not otherwise.

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

12.3 The notice must:

- (a) identify the proposed alternate; and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed alternate that he is willing to act as the alternate of the director giving the notice.

12.4 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's Appointor.

12.5 Except as the Articles specify otherwise, alternate directors:

- (a) are deemed for all purposes to be directors,
- (b) are liable for their own acts and omissions;
- (c) are subject to the same restrictions as their Appointors; and
- (d) 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

12.6 A person who is an alternate director but not a director may, subject to him being an Eligible Director:

- (a) be counted as participating for the purposes of determining whether a quorum is present at a meeting of directors (but only if that person's Appointor is an Eligible Director and is not participating); and

- (b) participate in a unanimous decision of the directors (but only if his Appointor is an Eligible Director in relation to that decision, and does not himself participate).

12.7 A director who is also an alternate director is entitled, in the absence of his Appointor(s), to a separate vote on behalf of each Appointor (provided that an Appointor is an Eligible Director in relation to that decision), in addition to his own vote on any decision of the directors.

12.8 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director but shall not be entitled to receive from the Company any remuneration in his capacity as an alternate director except such part (if any) of the remuneration otherwise payable to the alternate's Appointor as the Appointor may by notice in writing to the Company from time to time direct.

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

- (a) when the alternate's Appointor revokes the appointment by notice to the Company and the alternate in writing specifying when it is to terminate; or
- (b) 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; or
- (c) when the alternate director's Appointor ceases to be a director for whatever reason.

SHARES

13. SHARE CAPITAL

13.1 Except as otherwise provided in these Articles, the A Shares and the B Shares shall rank pari passu in all respects but shall constitute separate classes of shares.

13.2 No share of any class nor any right to subscribe for or to convert any security into a share of any class shall be allotted or granted otherwise than with the prior written consent of each shareholder

13.3 On the transfer of any share as permitted by these Articles:

- (a) a share transferred to a non-shareholder shall remain of the same class as before the transfer; and
- (b) a share transferred to a shareholder shall automatically be redesignated on transfer as a share of the same class as those shares already held by the shareholder.

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

directors appointed by that class

- 13.4 Any profits which the Company shall determine to distribute shall be distributed amongst the holders of the A Shares and the B Shares as if they constitute separate classes of shares and as within each class pro rata to the number of shares held in that class.
- 13.5 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 relevant class of shares. Where a special resolution to vary the rights attaching to a class of shares is proposed at a separate general meeting of that class of shares, all the provisions of these Articles as to general meetings of the Company shall mutatis mutandis apply, but so that the necessary quorum shall be the Original Shareholder holding shares of the relevant class present in person or by proxy. For the purpose of this article, the Original Shareholder present in person or by proxy may constitute a meeting.
- 13.6 Each of the following shall be deemed to constitute a variation of the rights attached to each class of shares:
- (a) any alteration in the Articles,
 - (b) any reduction, subdivision, consolidation, redenomination, or purchase or redemption by the Company of its own shares or other alteration in the share capital of the Company or any of the rights attaching to any share capital, and
 - (c) any resolution to put the Company into liquidation.
- 13.7 The Company shall immediately cancel any shares acquired under Chapter 4 of Part 18 of the CA 2006.

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 shareholder shall transfer any share except:
- (a) with the prior written consent of all shareholders for the time being;
 - (b) in accordance with the Cross Option Agreement, or
 - (c) in accordance with article 15 or article 16.
- 14.3 Subject to article 14.4, the directors must register any duly stamped or certified exempt 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 The directors may, as a condition to the registration of any transfer of shares in the Company require the transferee to provide the Company with the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006 and to execute and deliver to the Company a deed under which the transferee agrees to be bound by the terms of any shareholders' agreement (or similar document) in force between the shareholders in such form as the directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document). If any such condition is imposed in accordance with this article 14.4, the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee and the Company has received all of the required particulars under section 790K of the CA 2006 if the transferee is a registrable person or relevant legal entity within the meaning of section 790C of the CA 2006.

14.5 Any transfer of shares by way of a sale that is required to be made under these Articles shall be deemed to include a warranty that the transferor sells the shares with full title guarantee.

15. PRE-EMPTION RIGHTS ON THE TRANSFER OF SHARES

15.1 Except where the provisions of article 14.2 or article 16 apply, a shareholder (**Seller**) wishing to transfer his shares (**Sale Shares**) must give a Transfer Notice to the other shareholder (**Continuing Shareholder**) giving details of the proposed transfer including:

- (a) if he wishes to sell the Sale Shares to a third party, the name of the proposed buyer; and
- (b) the price (in cash) at which he wishes to sell the Sale Shares (**Proposed Sale Price**).

15.2 Within 20 Business Days of receipt (or deemed receipt) of a Transfer Notice, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Seller stating either:

- (a) that he wishes to purchase the Sale Shares at the Proposed Sale Price (**Purchase Notice**), in which case the Continuing Shareholder is bound to buy all of the Seller's Sale Shares at the Proposed Sale Price; or
- (b) that the Proposed Sale Price is too high (**Price Notice**).

15.3 If, at the expiry of the period specified in article 15.2, the Continuing Shareholder has given neither a Purchase Notice nor a Price Notice, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice at a price not less than the Proposed Sale Price provided that he does so within three months of the expiry of the period specified in article 15.2.

15.4 Following service of a Price Notice under article 15.2(b), the Seller and the Continuing Shareholder shall endeavour to agree a price for each of the Sale Shares. If they have not agreed such a price within ten Business Days of the Seller's receipt of a Price Notice, either

the Seller or the Continuing Shareholder shall immediately instruct the Valuers to determine the Fair Value of each Sale Share in accordance with article 17. If the Seller and Continuing Shareholder agree a price within the period specified in this article 15 4, the Continuing Shareholder is bound to buy all of the Seller's Sale Shares at the price agreed.

- 15.5 Within 20 Business Days of receipt of the Valuers' determination of the Fair Value, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Seller stating that the Continuing Shareholder wishes to purchase the Sale Shares at their Fair Value as determined by the Valuers. If, at the expiry of the period specified in this article 15 5, the Continuing Shareholder has not notified the Seller that he wants to buy the Sale Shares, the Seller may transfer all its Sale Shares to the buyer identified in the Transfer Notice at a price not less than the Fair Value for all of the Sale Shares as determined by the Valuers provided that he does so within three months of the expiry of the period specified in this article 15.5.

16. COMPULSORY TRANSFERS

- 16.1 A shareholder is deemed to have served a Transfer Notice immediately before any of the following events:

- (a) a bankruptcy petition being presented for the shareholder's bankruptcy; or
- (b) an arrangement or composition with any of the shareholder's creditors being made; or
- (c) the shareholder convening a meeting of his creditors, or taking any other steps with a view to making an arrangement or composition in satisfaction of his creditors generally; or
- (d) the shareholder being unable to pay his debts as they fall due within the meaning of section 268 of the Insolvency Act 1986; or
- (e) any encumbrancer taking possession of, or a receiver being appointed over or in relation to, all of the shareholder's assets; or
- (f) the happening in relation to a shareholder of any event analogous to any of the above in any jurisdiction in which he is resident, carries on business or has assets; or
- (g) the shareholder committing a material or persistent breach of any shareholders' agreement to which he is a party in relation to the shares in the Company which if capable of remedy has not been so remedied within 20 Business Days of the holder(s) of a majority of the shares of the other class requiring such remedy,

and any such shareholder will be in default (**Defaulting Shareholder**).

- 16.2 Upon service of a Deemed Transfer Notice the Defaulting Shareholder shall be deemed to have served a Transfer Notice in respect of all shares held by the Defaulting Shareholder (**Compulsory Transfer Shares**). Following service of a Deemed Transfer Notice, the Compulsory Transfer Shares shall be offered for sale to the Continuing Shareholder

- 16.3 Within 20 Business Days of receipt (or deemed receipt) of a Deemed Transfer Notice, the Continuing Shareholder shall be entitled (but not obliged) to give notice in writing to the Defaulting Shareholder stating that he wishes to purchase the Compulsory Transfer Shares, in which case the Continuing Shareholder is bound to buy all of the Compulsory Transfer Shares at the price determined in accordance with these Articles.
- 16.4 The Deemed Transfer Notice takes effect on the basis that it does not identify a proposed buyer or state a price for the Compulsory Transfer Shares and the price for the Compulsory Transfer Shares shall be the aggregate Fair Value of those shares, as determined by the Valuers in accordance with clause 17
- 16.5 The Defaulting Shareholder does not have the right to withdraw the Deemed Transfer Notice following a valuation.
- 16.6 If the Continuing Shareholder does not accept the offer of the Compulsory Transfer Shares within 20 Business Days of receipt (or deemed receipt) of the Valuers' determination of the Fair Value, the Defaulting Shareholder does not have the right to sell the Compulsory Transfer Shares to a third party and the Company shall be wound up immediately upon the Continuing Shareholder giving notice in writing to the Company to that effect within such 20 Business Day period.
- 16.7 A Deemed Transfer Notice under articles 16.1(a) to 16.1(g) (inclusive) shall immediately and automatically revoke a Transfer Notice served by the relevant shareholder before the occurrence of the relevant event giving rise to the Deemed Transfer Notice under articles 16.1(a) to 16.1(g) (inclusive).
- 16.8 If the Defaulting Shareholder fails to complete the transfer of the Compulsory Transfer Shares as required under this article 16, the Continuing Shareholder is irrevocably authorised to appoint any person he nominates for the purpose as agent to transfer the Compulsory Transfer Shares on the Defaulting Shareholder's behalf and to do anything else that the Continuing Shareholder may reasonably require to complete the transfer, and the Company may receive the purchase for the Compulsory Transfer Shares in trust for the Defaulting Shareholder (without any obligation to pay interest), giving a receipt that shall discharge the Continuing Shareholder.
- 16.9 On the death of a shareholder, the shares held by the deceased shareholder will be dealt with in accordance with the Cross Option Agreement.

17. VALUATION

- 17.1 The Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Company and the Defaulting Shareholder or Seller in writing of their determination.

- 17.2 The Fair Value for any Compulsory Transfer Shares or Sale Shares shall be the price per share determined in writing by the Valuers on the following bases and assumptions:
- (a) valuing each of the Compulsory Transfer Shares or Sale Shares as a proportion of the total value of all the issued shares in the capital of the Company without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent or for the rights or restrictions applying to the Compulsory Transfer Shares or Sale Shares;
 - (b) if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so;
 - (c) the sale is to be on arms' length terms between a willing seller and a willing buyer;
 - (d) the Compulsory Transfer Shares or Sale Shares are sold free of all encumbrances;
 - (e) the sale is taking place on the date the Valuers were requested to determine the Fair Value, and
 - (f) to take account of any other factors that the Valuers reasonably believe should be taken into account.
- 17.3 The shareholders are entitled to make submissions to the Valuers including oral submissions and will provide (or procure that the Company provides) the Valuers with such assistance and documents as the Valuers reasonably require for the purpose of reaching a decision, subject to the Valuers agreeing to give such confidentiality undertakings as the shareholders may reasonably require.
- 17.4 To the extent not provided for by this article 17, the Valuers may, in their reasonable discretion, determine such other procedures to assist with the valuation as they consider just or appropriate, including (to the extent they consider necessary) instructing professional advisers to assist them in reaching their valuation.
- 17.5 The Valuers shall act as expert and not as arbitrator and their written determination shall be final and binding on the shareholders in the absence of manifest error or fraud.
- 17.6 Each shareholder shall bear its own cost in relation to the reference to the Valuers. The Valuer's fees and costs properly incurred by them in arriving at their valuation (including any fees and costs of any advisors appointed by the Valuers) shall be borne by the shareholders equally.
- 18. COMPANY'S LIEN OVER SHARES**
- 18.1 The Company has a lien (the **Company's Lien**) over every share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.

- 18.2 The Company's Lien over a share:
- (a) takes priority over any third party's interest in that share; and
 - (b) extends to any dividend or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share.
- 18.3 The Board may at any time decide that a share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part
- 18.4 Subject to the provisions of this article, if
- (a) a lien enforcement notice has been given in respect of a share; and
 - (b) the person to whom the notice was given has failed to comply with it,
- the Company may sell that share in such manner as the Board decide
- 18.5 A lien enforcement notice:
- (a) may only be given in respect of a share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
 - (b) must specify the share concerned;
 - (c) must require payment of the sum within 14 clear days of the notice;
 - (d) must be addressed either to the holder of the share or to a transmittee of that holder, and
 - (e) must state the Company's intention to sell the share if the notice is not complied with.
- 18.6 Where shares are sold under this article:
- (a) the Board may authorise any person to execute an instrument of transfer of the shares to the purchaser or to a person nominated by the purchaser; and
 - (b) the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.
- 18.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- (a) first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
 - (b) second, to the person entitled to the shares at the date of the sale, but only after the certificate for the shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Board has been given for any

lost certificates, and subject to a lien equivalent to the Company's Lien over the shares before the sale for any money payable (whether immediately or at some time in the future) after the date of the lien enforcement notice

- 18.8 A statutory declaration by a Director or the Company secretary (if any) that the declarant is a Director or the Company Secretary and that a share has been sold to satisfy the Company's Lien on a specified date:
- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share; and
 - (b) subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the share.
- 18.9 Subject to the articles and the terms on which shares are allotted, the Board may send a notice (a **call notice**) to a shareholder requiring the shareholder to pay the Company a specified sum of money (a **call**) which is payable in respect of his shares at the date when the Board decide to send the call notice.
- 18.10 A call notice.
- (a) may not require a shareholder to pay a call which exceeds the total sum unpaid on the shares (whether as to nominal value or any amount payable to the Company by way of premium),
 - (b) must state when and how any call to which it relates is to be paid; and
 - (c) may permit or require the call to be made in instalments.
- 18.11 A shareholder must comply with the requirements of a call notice, but no shareholder is obliged to pay any call before 14 clear days have passed since the notice was sent.
- 18.12 Before the Company has received any call due under a call notice the Board may:
- (a) revoke it wholly or in part; or
 - (b) specify a later time for payment than is specified in the notice,
- by a further notice in writing to the shareholder in respect of whose shares the call is made
- 18.13 Liability to pay a call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 18.14 Joint holders of a share are jointly and severally liable to pay all calls in respect of that share.
- 18.15 Subject to the terms on which shares are allotted, the Board may, when issuing shares, provide that call notices sent to the holders of those shares may require them:

- (a) to pay calls which are not the same; or
- (b) to pay calls at different times.

18.16 A call notice need not be issued in respect of sums which are specified, in the terms on which a share is issued, as being payable to the Company in respect of that share:

- (a) on allotment;
- (b) on the occurrence of a particular event; or
- (c) on a date fixed by or in accordance with the terms of issue.

18.17 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

18.18 If a person is liable to pay a call and fails to do so by the call payment date:

- (a) the Board may issue a notice of intended forfeiture to that person, and
- (b) until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

18.19 For the purposes of this article.

- (a) the **call payment date** is the time when the call notice states that a call is payable, unless the Board give a notice specifying a later date, in which case it is that later date; and
- (b) the **relevant rate** is
 - (i) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
 - (ii) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Board; or
 - (iii) if no rate is fixed in either of these ways, 5 per cent per annum.

18.20 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

18.21 The Board may waive any obligation to pay interest on a call wholly or in part.

DECISION MAKING BY SHAREHOLDERS

19. QUORUM FOR GENERAL MEETINGS

19.1 The quorum at any general meeting of the Company, or adjourned general meeting, shall be two persons present in person or by proxy, each of whom shall be an Original Shareholder or his proxy.

19.2 No business shall be transacted by any general meeting unless a quorum is present at the commencement of the meeting and also when that business is voted on.

20. CHAIRING GENERAL MEETINGS

The chairperson of the board of directors shall chair general meetings. If the chairperson is unable to attend any general meeting, the shareholder who appointed him shall be entitled to appoint another of his nominated directors present at the meeting to act as chair at the meeting, and the appointment of the chair of the meeting must be the first business of the meeting.

21. VOTING

21.1 At a general meeting, on a show of hands every shareholder who is present in person or by proxy shall have one vote, unless the proxy is himself a shareholder entitled to vote; on a poll every shareholder present in person or by proxy shall have one vote for each share of which he is the holder; and on a vote on a written resolution every shareholder has one vote for each share of which he is the holder, except that

(a) no shares of one class shall confer any right to vote upon a resolution for the removal from office of a director appointed by holders of shares of the other class under a right to appoint which is a class rights; and

(b) subject to article (a) of this exception above, in the case of any resolution proposed, any Original Shareholder voting against such resolution (whether on a show of hands, a poll or on a written resolution) shall be entitled to cast such number of votes as is necessary to defeat the resolution.

22. POLL VOTES

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

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

23. PROXIES

23.1 Model Article 45(1)(d) shall be deleted and replaced with the words "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for

holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

23.2 Model Article 45(1) shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that article.

ADMINISTRATIVE ARRANGEMENTS

24. MEANS OF COMMUNICATION TO BE USED

24.1 Subject to article 24.2, any notice, document or other information shall be deemed received by the intended recipient:

- (a) 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;
- (b) if sent by pre-paid first class post or other next working day delivery service providing proof of postage, at 9.00 am on the second Business Day after posting or at the time recorded by the delivery service;
- (c) if sent by pre-paid airmail providing proof of postage, at 9.00 am on the fifth Business Day after posting or at the time recorded by the delivery service

24.2 *If deemed receipt under article 24 1 would occur outside Usual Business Hours, the notice, document or other information shall be deemed to have been received when Usual Business Hours next recommence. For the purposes of this article, **Usual Business Hours** means 9 00 am to 5.30 pm local time on any day which is not a Saturday, Sunday or public holiday in the place of receipt of the notice, document or other information.*

24.3 To prove service, it is sufficient to prove that:

- (a) if delivered by hand, the notice was delivered to the correct address;
- (b) if sent by post or by airmail, the envelope containing the notice was properly addressed, paid for and posted.

24.4 In proving that any notice, document or information was properly addressed, it will suffice to show that the notice, document or information was addressed to an address permitted for the purpose by the CA 2006.

25. INDEMNITY AND INSURANCE

25.1 Subject to article 25.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- (a) each relevant officer of the Company 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, 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 affairs; and

- (b) 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 25.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

25.2 This article does not authorise any indemnity to the extent that such indemnity would be prohibited or rendered void by any provision of the CA 2006 or by any other provision of law and any such indemnity is limited accordingly

25.3 The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

25.4 In this article:

- (a) a "relevant officer" means any director or other officer or former director or other officer of the Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the CA 2006), but excluding in each case any person engaged by the Company as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor; and
- (b) 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 or any pension fund of the Company.