

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

-of-

KFGH LIMITED
(the "Company")
Company No. 08219094

SATURDAY



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A08 24/11/2012 #52
COMPANIES HOUSE

Circulation date: 15 November 2012

In accordance with the provisions of Chapter 2 of Part 13 of the Companies Act 2006, the following resolutions are proposed as two special resolutions and two ordinary resolutions of the Company:

1. SPECIAL RESOLUTION

THAT the draft regulations 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.

2. ORDINARY RESOLUTION

Authority to allot

THAT, in accordance with section 551 of the 2006 Act, the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £9,999 00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of the date of this resolution, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the Directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired

This authority is in substitution for all previous authorities conferred on the Directors in accordance with section 551 of the 2006 Act but without prejudice to any allotment of shares or grant of Rights already made or offered or agreed to be made pursuant to such authorities.

3. SPECIAL RESOLUTION

Disapplication of pre-emption rights

THAT, subject to the passing of the resolution 2 and in accordance with section 570 of the 2006 Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the 2006 Act) pursuant to the authority conferred by resolution 1, as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall:

3.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £9,999 00, and

3.2 expire on the fifth anniversary of the date of this resolution (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired

4. ORDINARY RESOLUTION

THAT, for the purposes of Section 190 of the Companies Act 2006, the purchase by the Company of the entire share capital in KF Group (Holdings) Limited in accordance with the terms of a share purchase agreement dated on or about the date of this resolution and entered into between (1) Andrew Stuart Gannon (2) David Neal Armistead (3) Andrew David Adam Parker (4) Carrington Carr Holdings Limited (5) Matlock Limited (6) Seven Iron Properties Limited and (7) the Company (parties (1) and (2) being directors of the Company and parties (4), (5) and (6) being persons connected with directors of the Company) be approved.

The undersigned, being the person eligible to vote on the above resolutions on the Circulation Date hereby irrevocably agrees to the resolutions.



ANDREW STUART GANNON

NOTES:

- 1 You can choose to agree to all of the resolutions or none of them but you cannot agree to only some of the resolutions. If you agree to the resolutions, please sign and date this document to confirm your agreement and then return it to the Company using one of the following methods
 - **By Hand** delivering the signed copy to the registered office address
 - **Post** returning the signed copy by post to the registered office address
- 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 The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement within 28 days of the Circulation Date. If you agree to the resolutions please ensure that your agreement reaches us before that date.
- 5 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
- 6 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.

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
KFGH LIMITED

(Company number 08219094)

Adopted by Special Resolution passed 15 November 2012

1. Interpretation

1 1 In these Articles, unless the context otherwise requires the following expressions have the following meanings:

"the Act"	the Companies Act 2006;
"A Share"	an 'A' ordinary share of £1 00 in the company and "A Shares" and "A Shareholder" will be construed accordingly,
"Articles"	the company's articles of association for the time being in force;
"B Share"	a 'B' ordinary share of £1.00 in the company and "B Shares" and "B Shareholder" will be construed accordingly,
"business day"	any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;
"Conflict"	the meaning given in article 7.1;
"C Share"	a 'C' ordinary share of £1.00 in the company and "C Shares" and "C Shareholder" will be construed accordingly
"Current"	the meaning given in article 19.7;
"D Share"	a 'D' ordinary share of £1 00 in the company and "D Shares" and "D Shareholder" will be construed accordingly;
"Deemed Transfer Notice"	a Transfer Notice deemed to have been served pursuant to article 20.1;
"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);
"Encumbrance"	includes any interest or equity of any person (including without prejudice to the generalities of the foregoing, any right to acquire, option, right of pre-emption) or any mortgage, charge, pledge, lien or assignment or any other encumbrance priority or security interest or arrangement of whatsoever nature over or in the relevant property;
"E Share"	an 'E' ordinary share of £1 00 in the company and "E Shares" and "E Shareholder" will be construed

	accordingly;
"FSMA"	the Financial Services and Markets Act 2000,
"an Interested Director"	the meaning given in article 7.1;
"Model Articles"	the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (<i>SI 2008/3229</i>) as amended prior to the date of adoption of these Articles and "Model Article" will be construed accordingly,
"No Sale Notice"	the meaning given to it in article 19.5(ii);
"Ordinary Shares"	the A Shares, the B Shares, the C Shares, the D Shares and the E Shares and "Ordinary Shareholder" and "Ordinary Shareholders" shall be construed accordingly,
"Prescribed Price"	the meaning given to it in article 19.3.6;
"Relevant Agreement"	any agreement entered into from time to time between each of the shareholders and the company relating to the ownership of shares in and/or the management of the affairs of the company or like matters;
"share"	a share in the capital of the company whatever the class and "shares" shall be construed accordingly;
"Sale Notice"	the meaning given to it in article 19.5;
"Sale Shares"	the meaning given to it in article 19 2 1,
"Selling Shareholder"	the meaning given to it in article 19.2;
"shareholder"	a person who holds share(s) and "shareholders" shall mean the holders of all of the shares;
"Share Sale"	means the completion of any transaction whereby any person or group of persons acting in concert (as defined by the City Code on Takeovers and Mergers) purchases: <ul style="list-style-type: none"> (i) 77% (seventy seven percent) or more of the then issued Ordinary Shares; or (ii) shares which together with any shares already held by such person(s) at that time would result in such person(s) holding 77% (seventy seven percent) or more of the then issued Ordinary Shares PROVIDED that this sub paragraph (ii) shall not apply to a transfer of shares which is carried out following a Transfer Notice or a Deemed Transfer Notice having been served in respect of such shares;
"Special Consent"	the prior written approval of the holders of at least 85% (eighty five percent) of the Ordinary Shares in issue at that time.

1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles will have the same meanings in these Articles,

subject to which (and unless the context otherwise requires) words and expressions which have particular meanings in the Act will have the same meanings in these Articles.

- 1.3 Headings in these Articles are used for convenience only and will not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an "**article**" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
- 1.5.1 any subordinate legislation from time to time made under it, and
- 1.5.2 any amendment or re-enactment
- and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms "**including**", "**include**", "**in particular**" or any similar expression will be construed as illustrative and will not limit the sense of the words preceding those terms.
- 1.7 The Model Articles will apply to the company, except in so far as they are modified or excluded by these Articles.
- 1.8 Model Articles 8(3), 9(3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 44(2), 48, 52 and 53 respectively will not apply to the company
- 1.9 Model Article 7 is amended by:
- 1.9.1 the insertion of the words "*for the time being*" at the end of Model Article 7(2)(a), and
- 1.9.2 the insertion in Model Article 7(2) of the words "*(for so long as he remains the sole director)*" after the words "*and the director may*".
- 1.10 Model Article 20 is amended by the insertion of the words "*and the secretary (if any)*" before the words "*properly incur*".
- 1.11 In Model Article 25(2)(c), the words "*evidence, indemnity and the payment of a reasonable fee*" are deleted and replaced with the words "*evidence and indemnity*".
- 1.12 Model Article 27(3) is amended by the insertion of the words "*, subject to article 9,*" after the word "*But*".
- 1.13 Model Article 29 is amended by the insertion of the words "*, or the name of any person nominated under Model Article 27(2),*" after the words "*the transmittee's name*".
- 1.14 Model Articles 31(a) to (d) (inclusive) are amended by the deletion, in each case, of the words "*either*" and "*or as the directors may otherwise decide*".
- 2. Calling a directors' meeting**
- Without prejudice to Model Article 7 (as amended) notice of a directors' meeting must be given to each director in writing
- 3. Number of directors**
- Unless otherwise determined by ordinary resolution and subject to the terms of any Relevant Agreement, the number of directors will not be subject to any maximum but will not be less than one.
- 4. Quorum for directors' meetings**
- 4.1 Subject to article 4.2, Model Article 7(2) and the terms of any Relevant Agreement the quorum for the transaction of business at a meeting of directors is any two eligible directors.

4.2 For the purposes of any meeting (or part of a meeting) held pursuant to article 7 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) will be one eligible director.

5. Casting vote

5.1 Subject to the terms of any Relevant Agreement, if the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other director chairing the meeting has a casting vote.

5.2 Article 5.1 will not apply in respect of a particular meeting (or part of a meeting) if, in accordance with the Articles, such chairman or other director is not an eligible director for the purposes of that meeting (or part of a meeting)

6. Transactions or other arrangements with the company

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

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

6.2 will be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested;

6.3 will 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 contract or proposed contract in which he is interested;

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

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

6.6 will not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him, as defined in section 252 of the Act) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement will be liable to be avoided on the grounds of any such interest or benefit nor will the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

7. Directors' conflicts of interest

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

7.2 Any authorisation under this article 7 will be effective only if:

7.2.1 the matter in question has been proposed by any director for consideration at a meeting of directors in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;

7.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director, and

- 7.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's vote had not been counted
- 7.3 Any authorisation of a Conflict under this article 7 may (whether at the time of giving the authorisation or subsequently):
- 7.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
- 7.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict,
- 7.3.3 provide that the Interested Director will or will not be an eligible director in respect of any future decision of the directors vote in relation to any resolution related to the Conflict;
- 7.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
- 7.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a director of the company) information that is confidential to a third party, he will not be obliged to disclose that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence; and
- 7.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 7.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 7.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 7.6 In authorising a Conflict the directors may decide (whether at the time of giving the authorisation or subsequently) that if a director has obtained any information through his involvement in the Conflict otherwise than as a director of the company and in respect of which he owes a duty of confidentiality to another person, the director is under no obligation to:
- 7.6.1 disclose such information to the directors or to any director or other officer or employee of the company; or
- 7.6.2 use or apply any such information in performing his duties as a director where to do so would amount to a breach of that confidence.
- 7.7 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds
- 8. Records of decisions to be kept**
- Where decisions of the directors are taken by electronic means, such decisions will be recorded by the directors in permanent form, so that they may be read with the naked eye.
- 9. Appointment of directors**

9.1 In any case where, as a result of death or bankruptcy, the company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have had a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a director.

9.2 For the purposes of article 9.1, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived the older shareholder.

10. Secretary

The directors may (but are not obliged to) appoint any person who is willing to act to be the secretary upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors.

11. Company's lien over shares

11.1 The company has a lien (the "**company's lien**") over every share, 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

11.2 The company's lien over a share:

11.2.1 takes priority over any third party's interest in that share; and

11.2.2 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.

11.3 The directors may at any time decide that a share which is or would otherwise be subject to the company's lien will not be subject to it, either wholly or in part

12. Enforcement of the company's lien

12.1 Subject to the provisions of this article 12, if:

12.1.1 a lien enforcement notice has been given in respect of a share; and

12.1.2 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 directors decide.

12.2 A lien enforcement notice:

12.2.1 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;

12.2.2 must specify the share concerned;

12.2.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

12.2.4 must be addressed either to the holder of the share or to a transmittee of that holder; and

12.2.5 must state the company's intention to sell the share if the notice is not complied with.

12.3 Where shares are sold under this article 12:

12.3.1 the directors 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

- 12.3.2 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.
- 12.4 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:
- 12.4.1 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
- 12.4.2 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 directors has been given for any lost certificates, and subject to a lien equivalent to the company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the shares before the sale in respect of all shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the lien enforcement notice
- 12.5 A statutory declaration by a director or the company secretary 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:
- 12.5.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share, and
- 12.5.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the share.
- 13. Quorum for general meetings**
- Subject to the provisions of any Relevant Agreement, the quorum for any general meeting of the Company will be two shareholders present in person or proxy
- 14. Poll votes**
- 14.1 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting
- 14.2 Model Article 44(3) is amended by the insertion of the words "*A demand so withdrawn will not invalidate the result of a show of hands declared before the demand was made*" as a new paragraph at the end of that article.
- 15. Proxies**
- 15.1 Model Article 45(1)(d) is 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*".
- 15.2 Model Article 45(1) is amended by the insertion of the words "*and a proxy notice which is not delivered in such manner will 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
- 16. Classes and rights of shares**
- 16.1 The share capital of the company as at the date of the adoption of these articles is £10,000 divided into 3,300 A Shares, 2,800 B Shares, 2,400 C Shares, 800 D Shares and 700 E Shares.
- 16.2 The Ordinary Shares shall rank *pari passu* in all respects save for dividend purposes when the A Shares, the B Shares, the C Shares, the D Shares and the E Shares shall be treated as separate classes of shares

17. Allotting shares

- 17.1 The directors will only exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the company if the provisions of any Relevant Agreement have been complied with, if Special Consent in respect of the same has been first obtained and then as authorised by a special resolution of the shareholders
- 17.2 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act will not apply to an allotment of shares made by the company.
- 17.3 Unless (i) otherwise agreed by special resolution **and** (ii) Special Consent is first obtained in respect of such agreement; if the company proposes to allot any shares, those shares will not be allotted to any person unless the company has first offered them to all the Ordinary Shareholders (as if they were one class of shares) on the same terms, and at the same price on a pari passu and pro rata basis to the number of Ordinary Shares held by those Ordinary Shareholders (as nearly as possible without involving fractions). Each such offer will be made by notice
- 17.3.1 specifying the total number and class of shares being offered to the shareholders holding shares of that class and the price per share;
 - 17.3.2 containing a statement to the effect that the shares are offered in the first instance to the shareholders who at the time of the offer are holders of the same class of shares as those to be issued in proportion to the number of the existing shares of that class held by them respectively, but going on to invite each such shareholder to state in his reply whether he wishes to acquire more or fewer shares than his proportionate entitlement and if so what number; and
 - 17.3.3 stating the period (not being less than 14 days) in which the offer may be accepted.

For the purposes of this 17.3, an offer will be deemed to be accepted on the day on which the acceptance is received by the company and may, if so specified in the acceptance, be accepted by a shareholder in respect of a lesser number of shares than his full proportionate entitlement. If all the shareholders holding shares of the relevant class do not accept the offer in respect of their respective proportions in full, the shares not so accepted will be used to satisfy any claims for additional shares (notified in response to the invitation referred to in article 17.3.2) as nearly as may be in proportion to the number of shares of the relevant class already held by the shareholders claiming additional shares, provided that no shareholder will be obliged to take more shares than he has applied for. If any shares are not capable of being offered to shareholders in proportion to their existing holdings of shares of the relevant class, except by way of fractions, the same will be offered to the shareholders holding shares of the relevant class, or some of them, in such proportions as the directors may think fit. Any shares released from the provisions of this article 17 by any such special resolution (with such Special Consent) will be under the control of the directors, who may allot, grant options over or otherwise dispose of the same to such persons, on such terms, and in such manner as they think fit. No share will be issued at a discount or otherwise in breach of the provisions of these Articles or of the Act

- 17.4 If an A Shareholder acquires shares pursuant to this article 17 said Shares shall (if necessary) be or shall be redesignated as (as the case may be) A Shares;
- 17.5 If a B Shareholder acquires shares pursuant to this article 17 said Shares shall (if necessary) be or shall be redesignated as (as the case may be) B Shares;

- 17.6 If a C Shareholder acquires shares pursuant to this article 17 said Shares shall (if necessary) be or shall be redesignated as (as the case may be) C Shares;
- 17.7 If a D Shareholder acquires shares pursuant to this article 17 said such shares shall (if necessary) be or shall be reclassified (as the case may be) as D Shares,
- 17.8 If an E Shareholder acquires shares pursuant to this article 17 said such shares shall (if necessary) be or shall be reclassified (as the case may be) as E Shares;

18. Permitted transfers of shares

- 18.1 The directors will (subject to article 23) register the transfer of any shares to a company that is an undertaking (as defined in section 1161(1) of the Act), to any member of the same Group
- 18.2 For the purposes of this article 18 "**member of the same Group**" means as regards any company, a company which is from time to time a parent undertaking or a subsidiary undertaking of any such parent undertaking
- 18.3 A shareholder may at any time transfer shares with the consent of all the shareholders.
- 18.4 Subject to the terms of any Relevant Agreement a shareholder may at any time sell shares to the company in accordance with the provisions of the Act (and any such sale will be deemed to be a "transfer" of shares permitted by these Articles)

19. Pre-emption rights on transfer

- 19.1 Except in the cases of transfers of Ordinary Shares expressly authorised pursuant to article 18 and subject to the terms of any Relevant Agreement the right to transfer Ordinary Shares will be subject to the following restrictions set out in articles 19.2 to 19.8 (inclusive).
- 19.2 Any person (the "**Selling Shareholder**") proposing to transfer any of his Ordinary Shares will give notice in writing to the company that he desires to transfer the same and specifying
- 19.2.1 the number of Ordinary Shares which the Selling Shareholder wishes to sell (the "**Sale Shares**");
- 19.2.2 whether or not the Selling Shareholder has received an offer from a third party for the Sale Shares and if so the identity of such third party and the price offered for the Sale Shares; and
- 19.2.3 whether or not the Selling Shareholder wishes to impose a Total Transfer Condition (meaning a condition that unless all of the Sale Shares are sold pursuant to the following provisions of this article 19 none shall be sold) but in the absence of such a statement the Transfer Notice shall be deemed not to contain a Total Transfer Condition.

The Transfer Notice will constitute the company the agent of the Selling Shareholder for the sale (with absolute title guarantee) of the Sale Shares together with all rights then attached thereto to any shareholders willing to purchase the same in accordance with the following provisions of this article 19 ("**Purchasing Members**") A Transfer Notice will not be revocable except with the sanction of the directors or except as expressly provided in this article 19. A Transfer Notice will relate to one class of shares only (so that separate Transfer Notices are required in respect of proposed transfers of separate classes of shares).

- 19.3 The Sale Shares will be offered to the Ordinary Shareholders (other than the Selling Shareholder) (the "**relevant Shareholders**") as nearly as may be in proportion to the number of Shares held by them respectively regardless of the class of such Sale Shares Each offer will be made by notice in writing (the "**Offer Notice**") and will:
- 19.3.1 state the identity of the Selling Shareholder,
- 19.3.2 identify the Sale Shares, their class and the price per Sale Share specified in the Transfer notice;

- 19.3.3 state the number of the Sale Shares offered to the relevant Shareholder in question (the "**Pro-Rata Entitlement**");
- 19.3.4 confirm whether or not there is a Total Transfer Condition attached to the Sale Shares;
- 19.3.5 contain a statement of the right of each relevant Shareholder to request a certificate of fair value under article 19.4, the form of such statement to be as near as circumstances permit to that of the first sentence of article 19.4;
- 19.3.6 contain a statement to the effect that each of the Sale Shares is being offered to the relevant Shareholders at the lower of the price specified in the Transfer Notice and (if applicable) its fair value certified in accordance with article 19.4 (the "**Prescribed Price**");
- 19.3.7 state the period in which the offer may be accepted if no such certificate of fair value is requested (not being less than twenty-one days or more than forty-two days after the date of the Offer Notice);
- 19.3.8 contain a statement to the effect that, if such a certificate of fair value is requested, the offer will remain open for acceptance until the expiry of a period of fourteen days commencing on the date of the notice of the certified fair value given to the shareholders pursuant to article 19.4 or until the expiry of the period referred to in article 19.3.7 whichever is the later; and
- 19.3.9 contain a statement to, notwithstanding the Pro-Rata Entitlement, invite each relevant Shareholder to state in his reply whether he wishes to purchase more or fewer of the Sale Shares than his Pro-Rata Entitlement and if so what number (and the Offer Notice will be accompanied by a form of application for each such relevant Shareholder to use in applying for his Pro-Rata Entitlement (or part thereof) and, if relevant, any Sale Shares over and above such Pro-Rata Entitlement)

For the purposes of this article 19 an offer will be deemed to be accepted on the day on which the acceptance is received by the company and may, if so specified in the acceptance, be accepted by a relevant Shareholder in respect of a lesser number of Sale Shares than his full proportionate entitlement. If all the relevant Shareholders do not accept the offer in respect of their respective proportions in full, the Sale Shares not so accepted will be used to satisfy any claims for additional Sale Shares (notified in response to the invitation referred to in article 19.3.2) as nearly as may be in proportion to the number of Shares already held by the relevant Shareholders claiming additional shares, provided that no relevant Shareholder will be obliged to take more Sale Shares than he has applied for. If any Sale Shares are not capable of being offered to the relevant Shareholders in proportion to their existing holdings, except by way of fractions, the same will be offered to the relevant Shareholders, or some of them, in such proportions as the directors may think fit.

- 19.4 Any Ordinary Shareholder may, not later than eight days after the date of the Offer Notice, serve on the company a notice in writing requesting that the Auditors certify in writing the sum which in their opinion represents the fair value of each of the Sale Shares as at the date of the Transfer Notice, calculated:
 - 19.4.1 on the basis of a sale between a willing seller and a willing purchaser of the Sale Shares;
 - 19.4.2 if the company is then carrying on business as a going concern, on the basis that it will continue to do so;
 - 19.4.3 on the basis that the Sale Shares are capable of being transferred without restrictions;
 - 19.4.4 disregarding any restriction attaching to the Sale Shares pursuant to these Articles, and
 - 19.4.5 valuing the Sale Shares as a rateable proportion of the total value of all of the issued Shares of the company.

If the Auditors decline such appointment at their discretion 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 directors or any shareholder on behalf of the company, will be instructed to give such certificate and all references in this article 19 to the Auditors will include any person so nominated. Forthwith upon receipt of such notice, the company will instruct the Auditors to certify as aforesaid and the costs of producing such certificate will be apportioned among the Selling Shareholder and the Purchasing Members and borne by any one or more of them as the Auditors in their absolute discretion decide. In certifying the fair value as aforesaid the Auditors will be entitled to obtain professional valuations in respect of any of the company's assets and will be considered to be acting as experts and not as arbitrators and accordingly any provisions of law or statute relating to arbitration will not apply. Forthwith upon receipt of the certificate of the Auditors, the company will by notice in writing inform all the Ordinary Shareholders of the certified fair value of each Sale Share and the Prescribed Price (if different).

19.5 **EITHER** (i) (if the Transfer Notice does not contain a Total Transfer Condition) if Purchasing Members are found for all or any of the Sale Shares within the appropriate period specified in article 19.3, the company will not later than seven days after the expiry of such appropriate period give notice in writing (the "**Sale Notice**") to the Selling Shareholder specifying the Purchasing Members and the number of Sale Shares to be purchased by each Purchasing Member and the Selling Shareholder will be bound, upon payment of the price due in respect of the Sale Shares specified in the Sale Notice, to transfer such Sale Shares to the Purchasing Members in question;

OR (ii) (if the Transfer Notice contains a Total Transfer Condition) if Purchasing Members are found for all the Sale Shares within the appropriate period specified in article 19.3, the company will not later than seven days after the expiry of such appropriate period give notice in writing (the "**Sale Notice**") to the Selling Shareholder specifying the Purchasing Members and the number of Sale Shares to be purchased by each Purchasing Member and the Selling Shareholder will be bound, upon payment of the price due in respect of the Sale Shares specified in the Sale Notice, to transfer the Sale Shares to the Purchasing Members in question. If Purchasing Members are not found for all of the Sale Shares within the appropriate period specified in article 19.3, the company will not later than seven days after the expiry of such appropriate period give notice in writing (the "**No Sale Notice**") to the Selling Shareholder stating that Purchasing Members have not been found for all of the Sale Shares

19.6 If in any case the Selling Shareholder after having become bound as aforesaid makes default in transferring any Sale Shares, the company may receive the purchase money on his behalf, and may authorise some person to execute a transfer of such Sale Shares on behalf of and as agent for the Selling Shareholder in favour of the Purchasing Members. The receipt of the company for the purchase money will be a good discharge to the Purchasing Members. The company will pay the purchase money into a separate bank account and will hold the same on trust for the Selling Shareholder.

19.7 Subject to the provisions of any Relevant Agreement and procedural requirements contained therein (i) if (the Transfer Notice contains a Total Transfer Condition) following a No Sale Notice given under article 19.5(ii) or (ii)(if the Transfer Notice does not contain a Total Transfer Notice) following a Sale Notice given under article 19.5(i). the Selling Shareholder will, during the period of three months next following the expiry of the seven day period set out in article 19.5(i) or 19.5(ii) (as the case may be) be at liberty to transfer (i) if the Transfer Notice contains a Total Transfer Condition) all (but not some only) of the Sale Shares or (ii) (if the Transfer Notice does not contain a Total Transfer Condition) all or any of the Sale Shares which have not been accepted by Purchasing Members in either case, to any person or persons **PROVIDED THAT** the price per Sale Share obtained upon such Share transfer will in no circumstances be less than the Prescribed Price and the Selling Shareholder will upon request furnish such information to the directors as they require in relation to the price per Sale Share obtained as aforesaid. The directors may require to be satisfied that such Sale Shares are being transferred in pursuance of a bona fide sale for the consideration stated in

the transfer without deduction, rebate or allowance whatsoever to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer. For the avoidance of doubt the directors shall be entitled to refuse to register the instrument of transfer of the Sale Shares under this article 19 7 if the proposed transferee is a competitor of the Business or (where the Transfer Notice contains a Total Transfer Condition) the instrument of transfer(s) is/are not in respect of all (but not some only) of the Sale Shares.

- 19.8 In this article 19 a Transfer Notice is "**Current**" until such time as (i) the company has given a Sale Notice pursuant to article 19.4 or (ii) the company has given a No Sale Notice pursuant to article 19.5(ii). If a Transfer Notice is given or deemed to be given at a time when there is any Current Transfer Notice, such Transfer Notice will (notwithstanding any provision of these Articles to the contrary) be deemed to have been received and take effect immediately after the time when all Transfer Notices actually given before it have ceased to be Current.

20. Deemed transfers

- 20.1 In the event of:

20.1.1 a shareholder

- (a) dying; or
- (b) being declared bankrupt or (in the case of a body corporate) being wound up;
or

20.1.2 an occurrence as prescribed in any Relevant Agreement by reference to this article 20,

(an "**Event**") then there will be deemed to have been given a Transfer Notice in respect of the Relevant Shares immediately prior to the happening of the Event, but excluding any of such shares which are comprised in any previous Transfer Notice which is Current, and the price for such shares will be the value determined in accordance with article 19 4

- 20.2 Any Transfer Notice deemed to be given pursuant to this article 20 will not contain a Total Transfer Condition (as defined in article 19 2 2), will not be revocable and will supersede and cancel any Current Transfer Notice previously given pursuant to article 19

21. Drag along rights

- 21 1 In the event that (i) a third party offers to purchase shares which comprise a Share Sale for a price per share of an amount equal to or greater than the Prescribed Price, (ii) Special Consent is first obtained and (iii) subsequently the offer is accepted in principle by those shareholders to whom such offer has been made (the "**Target Shareholders**") (such offer to be open for at least 30 days following such Special Consent having been obtained) ("**an Approved Offer**"), such offer shall be deemed to have been made and then the Target Shareholders (or any of them) can (but shall not be obliged to) compel the other shareholders ("**the Other Shareholders**") to sell their shares to such third party on the same terms as that offered to the Target Shareholders

- 21.2 In the event that an Approved Offer is deemed to have been made, and the right to compel under article 21.1 is triggered by the Target Shareholders then any Target Shareholder may by notice in writing require the other relevant shareholders and the directors to concur and co-operate with the Share Sale in question (including without limitation passing any resolution of the shareholders or the directors (as the case may be) which it is necessary to pass and signing any documents which it is necessary to sign and doing all such other acts and things as may be necessary to enable the Approved Offer to proceed) and to accept the Approved Offer in respect of his or their shares and such notice shall be deemed to oblige the other relevant shareholders to sell their shares upon the terms of the Approved Offer.

- 21.3 In the event of any shareholder or director failing to carry out his obligations under any of articles 21.1 and 21 2 (as the case may be), the directors may (to the extent permitted by law) authorise some person to exercise any voting rights, sign any documents and do any acts or things which the shareholder or director in default should have exercised, signed or done. In the case of any documents signed under this article 21 3 which would, if signed by

the relevant shareholder or director have been released by that shareholder or director against payment of monies to that shareholder or director, the company may release such document only against payment to it of such monies which it shall hold upon trust for the relevant shareholder or director.

21.4 Article 19 shall not apply to the transfer or other 'disposal' of any share under and in accordance with the foregoing provisions of this article 21.

22. Tag along rights

22.1 In the event that (i) a third party offers to purchase shares which comprise a Share Sale for a price per share of an amount equal to or greater than the Prescribed Price, (ii) Special Consent is first obtained and (iii) subsequently the offer is accepted in principle by those shareholders to whom such offer has been made (the "**Target Shareholders**") (such offer to be open for at least 30 days following such Special Consent having been obtained) ("**an Approved Offer**"), such offer shall be deemed to have been made and then the other shareholders (or any of them) (the "**Relevant Other Shareholders**") can (but shall not be obliged to) prevent the Target Shareholders from selling the shares in question to such third party unless the Target Shareholders procure that such third party offers to purchase all of the shares held by the Relevant Other Shareholders as well on the same terms as that offered to the Target Shareholders.

22.2 In the event that an Approved Offer is deemed to have been made, and article 22.1 is triggered by the Relevant Other Shareholders then any Relevant Other Shareholder may by notice in writing require the Target Shareholders to procure that the third party offers to purchase all of the Relevant Other Shareholders' shares on the same terms as that offered to the Target Shareholders, such offer to be in writing and given to each of the Relevant Other Shareholders not less than ten business days prior to the date of the proposed purchase. Completion of the proposed sale shall be conditional on the completion of the purchase of all of the shares of any Relevant Other Shareholders who have accepted the offer made by the third party

22.3 In the event of any shareholder or director failing to carry out his obligations under any of articles 22.1 and 22.2 (as the case may be), the Target Shareholders shall not be entitled to complete the proposed sale and the company shall not register any transfer of shares effected in accordance with the proposed sale.

22.4 Article 19 shall not apply to the transfer or other 'disposal' of any share under and in accordance with the foregoing provisions of this article 21.

23. Transfer of shares – general

23.1 Model Article 26(5) will be amended so the first word "*The*" is deleted and replaced with the words "*Subject at all times to compliance with section 771 of the Act the*".

23.2 Notwithstanding Model Article 26(5) (as amended) the directors may also refuse to register a transfer unless

23.2.1 it is lodged at the office or at such other place as the directors may appoint and is accompanied by the certificate for the shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer; and

23.2.2 it is in favour of not more than four transferees.

23.3 Subject to the terms of any Relevant Agreement, the directors will register a transfer of shares made pursuant to the foregoing provisions of these Articles, subject to the provisions of this article 23

23.4 For the purpose of ensuring that a transfer of shares is permitted pursuant to the provisions of these Articles or that no circumstances have arisen whereby a Transfer Notice may be required to be given, the directors may from time to time require any shareholder or the legal personal representatives of any deceased shareholder or any person named as transferee in any transfer lodged for registration to furnish to the company such information and evidence

as the directors may think fit regarding any matter which they may deem relevant to such purpose. Failing such information or evidence being furnished to the satisfaction of the directors within a reasonable time after request, the directors will be entitled to refuse to register the transfer in question.

- 23.5 Any transfer or purported transfer of a share made otherwise than in accordance with the foregoing provisions of these Articles will be null and void and of no effect.
- 23.6 In respect of any Transfer Notice or Deemed Transfer Notice but for the provisions of this article 23.6 give rise to the operation of articles 19 or 20 (as the case may be), the operation of article 19 and/or 20 (whether in whole or in part) can be waived if Special Consent is first obtained in respect of the same.
- 23.7 If an A Shareholder acquires shares by way of transfer the said shares shall (if necessary) be or shall be reclassified as (as the case may be) A Shares.
- 23.8 If a B Shareholder acquires shares by way of transfer the said shares shall (if necessary) be or shall be reclassified as (as the case may be) B Shares.
- 23.9 If a C Shareholder acquires shares by way of transfer the said shares shall (if necessary) be or shall be reclassified as (as the case may be) C Shares.
- 23.10 If a D Shareholder acquires shares by way of transfer the said shares shall (if necessary) be or shall be reclassified as (as the case may be) D Shares.
- 23.11 If an E Shareholder acquires shares by way of transfer the said shares shall (if necessary) be or shall be reclassified as (as the case may be) E Shares.

ADMINISTRATIVE ARRANGEMENTS

24. Consolidated share certificates

- 24.1 When a shareholder's holding of shares increases, the company may issue that shareholder with:
 - 24.1.1 a single, consolidated certificate in respect of all the shares which that shareholder holds, or
 - 24.1.2 a separate certificate in respect of only those shares by which that shareholder's holding has increased.
- 24.2 When a shareholder's holding of shares is reduced, the company must ensure that the shareholder is issued with one or more certificates in respect of the number of shares held by the shareholder after that reduction. But the company need not (in the absence of a request from the shareholder) issue any new certificate if:
 - 24.2.1 all the shares which the shareholder no longer holds as a result of the reduction; and
 - 24.2.2 none of the shares which the shareholder retains following that reduction were, immediately before the reduction, represented by the same certificate
- 24.3 A shareholder may request the company, in writing, to replace
 - 24.3.1 the shareholder's separate certificates with a consolidated certificate; or
 - 24.3.2 the shareholder's consolidated certificate with two or more separate certificates representing such proportion of the shares as the shareholder may specify
- 24.4 When the company complies with such a request it may charge such reasonable fee as the directors may decide for doing so.
- 24.5 A consolidated share certificate must not be issued unless any certificates which it is to replace have first been returned to the company for cancellation

25. Means of communication to be used

- 25.1 Any notice, document or other information will be deemed served on or delivered to the intended recipient

- 25 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),
- 25.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
- 25.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and
- 25.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article 25, no account will be taken of any part of a day that is not a business day.

- 25.2 In proving that any notice, document or other information was properly addressed, it will be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act.

26. Indemnity

- 26 1 Subject to article 26 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:

- 26 1 1 each relevant officer will 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 (or any associated company's) affairs; and

- 26 1 2 the company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 26 1.1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

- 26 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.

- 26.3 In this article 26

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

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

27. Insurance

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

27.2 In this article 27:

27.2.1 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) of the Act), but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor);

27.2.2 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

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