

COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

Of Hotelplan (UK Group) Limited

(company number 00444219)

(the “company”)

(adopted on 11 May 2010 and as amended by special resolutions passed on 16 October 2010, 25 July 2016 and 22 February 2021)

1. INTERPRETATION AND LIMITATION OF LIABILITY

1.1 Defined terms

In these articles (“articles”), unless the context requires otherwise,

“A Director”

means any director appointed by the A Share Majority,

“A Share”

means an A ordinary share of one pound (£1 00) in the capital of the Company,

“A Share Transfer”

has the meaning given to it in article 30 2,

“A Share Transfer Notice”

has the meaning given to it in article 30 2,

“A Shareholder”

means a member registered as the holder of A Shares,

“A Shareholder Majority”

means those stakeholders holding at least 75% of the A Shares in issue from time to time,

“Act”

means the Companies Act 2006, as amended or re-enacted from time to time,

“Adjusted EBIT”

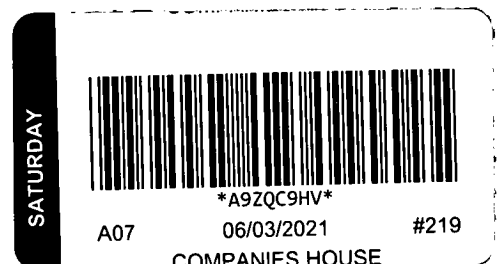
means EBIT duly adjusted after applying the provisions of paragraph 3 of part 1 of Appendix 3,

“alternate” or “alternate director”

has the meaning given in article 21,

“Appendix”

means any appendix to these articles,



means any appendix to these articles;
"Appendix"

has the meaning given in article 31,
"alternate" or "alternate director"

Appendix 3,
means EBIT duly adjusted after applying the provisions of paragraph 3 of part 1 of
"Adjusted EBIT"

means the Companies Act 2006, as amended or re-enacted from time to time,
"Act"

means those shareholders holding at least 75% of the A Shares in issue from time to time,
"A Shareholder Majority"

means a member registered as the holder of A Shares
"A Shareholder"

has the meaning given to it in article 30 2,
"A Share Transfer Notice"

has the meaning given to it in article 30 2,
"A Share Transfer"

means an A ordinary share of one pound (£1 00) in the capital of the Company,
"A Share"

means any director appointed by the A Share Majority
"A Director"

in these articles ("articles"), unless the context requires otherwise.

1.1 Defined terms

1. INTERPRETATION AND LIMITATION OF LIABILITY

2016 and 22 February 2017)
(adopted on 11 May 2010 and as amended by special resolutions passed on 18 October 2010, 22 July

(the "company")

(company number 00444518)

of Hotelplan (UK Group) Limited

ARTICLES OF ASSOCIATION
COMPANY LIMITED BY SHARES

"Audited Accounts"

means in respect of each Travel Group Company, the audited statutory accounts (as approved by its board of directors) in relation to a Financial Year,

"Average Adjusted EBIT"

has the meaning given to it in paragraph 1 1 2 of Appendix 2,

"B Share"

means a B ordinary share of one pound (£1 00) in the capital of the Company,

"B Shareholder"

means a member registered as the holder of B Shares,

"B Shareholder Majority"

means those shareholders holding at least 75% of the B Shares in issue from time to time,

"B Shareholder Representative"

means such B Shareholder appointed by written notice of the B Shareholder Majority to the Company and who, as at the date of the adoption of these articles, shall be Andrew Perrin,

"Base Value"

has the meaning given to it in paragraph 3 5 of Appendix 1,

"Business Day"

means a day other than Saturday, Sunday or a day on which banks are authorised to close in London,

"Calculation"

means in relation to the exercise of an Option, a document setting out

- (a) the Selected Accounts,
- (b) the Adjusted EBIT for the Financial Years to which the Selected Accounts relate,
- (c) the Ratchet Price calculation, and
- (d) the calculation of the Option Price in accordance with paragraph 3 of Appendix 1 arrived at using the Ratchet Price referred to in paragraph (c),

"Call Option"

has the meaning given to it in article 31 1 1,

"CEO"

means the chief executive officer of Holding from time to time, who as at the date of the adoption of these articles is Hans Lerch,

"chairman"

has the meaning given in article 12,

"chairman of the meeting"

has the meaning given in article 42,

"clear days"

means, in relation to a period of notice or otherwise, that period excluding the day when the notice or other document is received or deemed to be received and the day on which it is sent or on which it is to take effect,

"conflict situation"

has the meaning given in article 15,

"Determination"

means, in respect of a Financial Year just completed, the date on which a Draft becomes Determined Option Accounts in accordance with Part 2 of Appendix 3, and any reference to "Determined" shall be construed accordingly,

"Determined Option Accounts"

means Option Accounts that are no longer a Draft and which have been agreed or otherwise determined in accordance with Part 2 of Appendix 3,

"director"

means a director of the Company, and includes any person occupying the position of director, by whatever name called and an alternate director appointed by a director,

"distribution recipient"

has the meaning given in article 33,

"document"

includes, unless otherwise specified, any document sent or supplied in electronic form,

"EBIT"

means the earnings before interest and taxation as shown in the Determined Option Accounts,

"electronic form"

has the meaning given in section 1168 of the Act,

"Exercise Notice"

has the meaning given to it in paragraph 1 3 of Appendix 1,

"Financial Year"

means in relation to the Company, a financial accounting period of 12 months ending on the Company's accounting reference date, the first Financial Year being, for the purposes of the determining when the first set of Option Accounts need to be prepared, the period which ends at any time on or after 31 October 2011,

"First Permitted Transferee"

has the meaning given to it in article 30 3,

"fully paid"

means in relation to a share, means that the nominal value and any premium to be paid to the Company in respect of that share have been paid to the Company,

"group"

means the Company and every subsidiary and holding company of the Company and every subsidiary and holding company of such subsidiary and holding company,

"group company"

means any company which is a member of the group,

"hard copy form"

has the meaning given in section 1168 of the Act,

"holder"

means in relation to shares means the person whose name is entered in the register of members as the holder of the shares,

"Holding"

means Hotelplan Holding AG (a company registered and incorporated in Switzerland whose registered office is at Bolimattstrasse 1, 5033 Buchs, Switzerland),

"holding company"

has the meaning given in section 1159 of the Act,

"Holding Group"

means in relation to Holding, any wholly-owned subsidiary of that company, any company of which it is a subsidiary (its holding company), any other subsidiaries of any such holding company, any company of which the holding company is a subsidiary (a parent) and any other subsidiaries of any such parent, and any reference to a "member of the Holding Group" shall be interpreted accordingly,

"Independent Accountants"

has the meaning given to it in Part 2 of Appendix 3,

"Initial Date"

means the date on which the Option Accounts for the first Financial Year ended on any date on or after 31 October 2014 have been Determined,

"instrument"

means a document in hard copy form,

"Interhome Division"

means the business division of Hotelplan Limited (one of the Travel Group Companies) known as "Interhome UK" or "Interhome" which carries on inter alia the business of acting as an agent, booking self-catering accommodation on behalf of holiday makers directly with property owners,

"IFRS"

means International Financial Reporting Standards,

"Loan Notes"

means the loan notes issued to B Shareholders by the Company pursuant to the SPA,

"Minimum Percentage"

means 33 3% of the total number of B Shares held by the relevant B Shareholder immediately prior to his exercise of an Exercise Notice,

"Multiplier"

has the meaning given to it in Appendix 2,

"Option Accounts"

means, in respect of a Financial Year, the consolidated profit and loss accounts for the Travel Group Companies, prepared in accordance with Appendix 3 using the financial information and figures contained in the Audited Accounts of each of those companies for the Financial Year in question,

"Options"

has the meaning given to it in article 31 1,

"ordinary resolution"

has the meaning given in section 282 of the Act,

"paid"

means paid or credited as paid,

"participate"

means in relation to a directors' meeting, has the meaning given in article 10,

"Permitted Transferee"

means any member of the Holding Group,

"proxy notice"

has the meaning given in article 46,

"Put Option"

has the meaning given to it in article 31 1 2,

"Put Option Period"

has the meaning given to it in paragraph 1 1 of Appendix 1 and the first Put Option Period shall be the period of 60 days from and including the Initial Date,

"Ratchet Price"

means the amount calculated in accordance with the provisions of Appendix 2,

"Relevant Undertaking"

means any group company, and in the case of any director, the member which appointed him and any subsidiary or holding company of that member or other subsidiary of the holding company of that member,

"Sale Shares"

means in relation to an Option that has been exercised, those B Shares identified in the Exercise Notice but subject always to the provisions of paragraph 1 4 of Appendix 1,

"Sale Shares Completion"

means completion of the sale and purchase of the relevant Sale Shares following the exercise of an Option in accordance with paragraph 4 of Appendix 1,

"Sale Shares Completion Date"

has the meaning given in paragraph 4.1 of Appendix 1,

"Selected Accounts"

has the meaning given to it in paragraph 1.1.1 of Appendix 2,

"Selling Shareholder"

means in relation to the exercise of an Option the B Shareholder who has served or received (as the case may be) an Exercise Notice in respect of such Option,

"shareholder"

means a person who is the holder of a share,

"Shareholders Agreement"

means the shareholders' agreement in respect of the Company dated on the date of the adoption of these articles between the Managers (as defined therein), Holding and the Company,

"shares"

means shares in the Company including the A Shares and the B Shares,

"situation involving a transaction or arrangement"

has the meaning given in article 16,

"SPA"

means the sale and purchase agreement dated on the date of the adoption of these articles pursuant to which Holding acquired shares in the capital of Enigma Travel Group Limited,

"special resolution"

has the meaning given in section 283 of the Act,

"subsidiary"

has the meaning given in section 1159 of the Act,

"Total Initial Investment"

has the meaning given to it in Appendix 2,

"transmittee"

means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law,

"Travel Group Companies"

means together the Company and each of the entities listed below (all of which are subsidiaries of the Company at the date of adoption of these articles) but excluding the Interhome Division

- (a) Hotelplan Limited,
- (b) Hotelplan (Transport) Limited,

- (c) Inntravel Ltd,
- (d) Itinerary Ltd,
- (e) Hotelplan Inghams SARL,
- (f) Hotelplan Internationale Reiseorganisation GmbH,
- (g) Inghams Schweiz AG,
- (h) Enigma Travel Group Limited,
- (i) Enigma Holidays Ltd,
- (j) Esprit Holidays Limited,
- (k) Esprit Vacations Limited,
- (l) Total Holidays Limited,
- (m) Total Aviation Limited,

together with any other companies within the group that made be added from time to time by written agreement between the A Shareholder Majority and the B Shareholder Majority,

"writing"

means 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 Unless already defined in these articles, words or expressions contained in these articles bear the same meaning as in the Act
- 1 3 The liability of the shareholders is limited to the amount, if any, unpaid on the shares held by them

DIRECTORS

2. DIRECTORS' GENERAL AUTHORITY

Subject to the articles, the directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company When one director only is in office, this provision applies to that director

3. SHAREHOLDERS' RESERVE POWER

- 3 1 The shareholders may, by special resolution, direct the directors to take, or refrain from taking, specified action
- 3 2 No such special resolution and no alteration of the articles invalidates anything which the directors have done before the resolution is passed or the articles are altered (as appropriate)

4. DELEGATION OF DIRECTOR'S POWERS

The directors shall not be entitled to delegate any of their powers to a person or committee unless otherwise agreed in writing by the A Shareholder Majority

5. COMMITTEES

- 5 1 Committees to which the directors delegate any of their powers must follow procedures which are based, as far as they are applicable, on those provisions of the articles which govern the taking of decisions by directors
- 5 2 A committee of the directors must (unless otherwise agreed by the shareholder) include at least one A Director

6. DIRECTORS DECISIONS

- 6 1 Any decision of the directors must be taken at a meeting of the directors in accordance with this article 6 or a decision taken in accordance with article 7
- 6 2 All decisions made at any meeting of the directors or of any committee of the directors shall be made only by resolution. Such resolutions shall be decided by the majority vote of all directors present at the meeting
- 6 3 Save as set out in article 13, the directors shall each have one vote

7. UNANIMOUS DECISIONS

- 7 1 A decision of the directors is taken in accordance with this article 7 when all eligible directors indicate to each other by any means that they share a common view on the matter
- 7 2 Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing
- 7 3 References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors meeting
- 7 4 A decision may not be made in accordance with this article 7 if the eligible directors would not have formed a quorum at such meeting

8. NUMBER OF DIRECTORS

The minimum number of directors shall be 2 and the maximum number of directors shall be 10

9. CALLING A DIRECTORS' MEETING

- 9 1 Any director may call a directors' meeting by giving reasonable notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice
- 9 2 Notice of any directors' meetings must indicate
- 9 2 1 its proposed date and time,
 - 9 2 2 where it is to take place, and
 - 9 2 3 if it is anticipated that 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
- 9 3 Notice of a directors' meeting must be given to each director, but need not be in writing
- 9 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, and notice of the

waiver may be given before or after 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

10. PARTICIPATION IN DIRECTORS' MEETINGS

- 10 1 Directors participate in a directors' meeting, or part of a directors' meeting, when
 - 10 1 1 the meeting has been called and takes place in accordance with the articles, and
 - 10 1 2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting
- 10 2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other
- 10 3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

11. QUORUM FOR DIRECTORS' MEETINGS

- 11 1 At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting
- 11 2 Subject to article 11 3, the quorum for directors' meetings shall be two directors, of whom one at least shall be an A Director (or his alternate) and of whom one at least shall be (if there are any persons so appointed at that time) a director who is a B Shareholder (or his alternate)
- 11 3 For the purposes of any meeting (or part of a meeting) held to authorise a director's conflict, if there is only one director other than the conflicted director, the quorum for the meeting (or part of a meeting) shall be one

12. CHAIRING OF DIRECTORS' MEETINGS

- 12 1 The position of chairman of meetings of the directors shall be held by an A Director nominated by an A Shareholder Majority
- 12 2 If the chairman for the time being is unable to attend any meeting of the directors, the A Director(s) able to attend the meeting shall decide which A Director shall act as chairman at the meeting

13. CHAIRMAN VOTES

The chairman shall, at any meeting of the directors, have such number of votes as is equal to the number of votes of all the other directors at the meeting (including additional votes held by way of alternate) plus 1

14. RECORDS OF DECISIONS TO BE KEPT

The directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the directors

15. DIRECTORS' CONFLICTS

15 1 A "conflict situation" means a situation in which a director or an alternate has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company

15 1 1 including a situation relating to the exploitation of any property, information or opportunity, irrespective of whether the Company could take advantage of the property, information or opportunity,

15 1 2 excluding a situation which could not reasonably be regarded as likely to give rise to a conflict of interest, and

15 1 3 excluding a situation involving a transaction or arrangement

15 2 A director or an alternate shall not infringe his duty to avoid a conflict situation if the matter or situation which would otherwise result in that director or alternate infringing that duty arises out of or results from that director or alternate

15 2 1 being a director, alternate, officer, employee, consultant or member of any Relevant Undertaking, or

15 2 2 being (directly or indirectly) involved with or interested in, any Relevant Undertaking,

for the reason that any such matter or situation is hereby authorised and no further authorisation, whether pursuant to article 15 3 or otherwise, is required in respect of such matter or situation. In addition, any such director or such alternate shall not be in breach of any other duties he owes to the Company, including the duty to exercise independent judgment, as a result of him being involved in other group companies in the manner referred to in this article 15 2

15 3 Any other matter or situation which would otherwise result in a director or an alternate director infringing his duty to avoid a conflict situation may be authorised by the directors. Any such authorisation will only be effective if

15 3 1 the quorum at the meeting of the directors at which that matter or situation is considered is met without counting the director or alternate in question or any other interested director or alternate, and

15 3 2 the matter or situation was agreed to without their voting or would have been agreed to if their votes had not been counted

15 4 Any authorisation given by the directors in accordance with article 15 3

15 4 1 may (at the time it is given or at any subsequent time) be made subject to such terms and such conditions as the directors consider appropriate, and

15 4 2 may be revoked or varied by the directors (any such revocation or variation will not affect anything previously done by the director or alternate in accordance with such prior authorisation)

15 5 Where in relation to a director or an alternate, a matter or situation is authorised under article 15 2 or specifically authorised by the directors under article 15 3, that director or alternate shall, irrespective of his interest in the matter or situation giving rise to the conflict situation, and subject, at all times, to the terms and conditions (if any) of any authorisation

15 5 1 be entitled to

(a) receive any papers or other documents in relation to or concerning, such matter or situation,

(b) attend any meeting (or any part of any meeting) of the directors or of a committee of the directors, at which such matter or situation is discussed or absent himself from any such meeting (or any part of any such meeting), and

(c) be counted in the quorum and vote at, any such meeting, and

15 5 2 not be required to

- (a) disclose to or use for the benefit of the Company, any confidential information relating to such matter or situation if such disclosure or use would constitute a breach of confidence, and
- (b) account to the Company for any benefit which he derives from such matter or situation

16. DIRECTORS' INTERESTS IN TRANSACTIONS AND ARRANGEMENTS

- 16 1 A "situation involving a transaction or arrangement" means a situation in which a director or an alternate is in any way, directly or indirectly, interested in a transaction or arrangement with the Company in circumstances where the provisions of sections 177 or 182 of the Act apply
- 16 2 The provisions of article 15 shall not apply to a situation involving a transaction or arrangement
- 16 3 Any director or alternate may be interested in a situation involving a transaction or arrangement as long as he declares the nature of his interest in accordance with section 177 or, as the case may be, section 182, of the Act
- 16 4 Where, in relation to a director or an alternate, a situation involving a transaction or arrangement has arisen and the director or alternate has declared the nature of his interest in accordance with section 177 or, as the case may be, section 182, of the Act, that director or alternate shall, irrespective of his interest in the matter giving rise to the situation involving a transaction or arrangement, be entitled to
- 16 4 1 receive any papers or other documents in relation to or concerning, such matter,
 - 16 4 2 attend a meeting (or any part of any meeting) of the directors or of a committee of the directors, at which such matter is discussed, and
 - 16 4 3 be counted in the quorum and vote at, any such meeting

17. DISCLOSURE OF INFORMATION

Any director shall be entitled at any time to disclose to the Shareholders such information concerning the business and affairs of the Company as he shall at his discretion see fit, subject only to the condition that if there be more than one holder of the relevant class, the director concerned shall ensure that each of the holders of that class receives the same information on an equal footing

18 DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to the articles, the directors may regulate their proceedings and the manner in which they take decisions as they see fit

19. TERMINATION OF DIRECTOR'S APPOINTMENT

A person ceases to be a director as soon as

- 19 1 that person ceases to be a director in accordance with any provision of the Act or is prohibited from being a director by law,
- 19 2 a bankruptcy order is made against that person,

- 19 3 a composition is made with that person's creditors generally in satisfaction of that person's debts,
- 19 4 he is removed from office under section 168 of the Act,
- 19 5 by reason of that person's mental health, a court makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- 19 6 notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms,
- 19 7 being an A Director, he is removed from office pursuant to article 20 2, or
- 19 8 if the member that appointed him ceases to be a member

20. APPOINTMENT AND REMOVAL OF DIRECTORS

- 20 1 The A Shareholder Majority for the time being shall be entitled to appoint as many A Directors as they from time to time deem fit in their absolute discretion
- 20 2 Any A Director may at any time be removed from office by the A Shareholder Majority
- 20 3 Any appointment or removal of a director pursuant to this article 20 shall be in writing and signed by or on behalf of the A Shareholder Majority and served on the Company at its registered office, marked for the attention of the Secretary or delivered to a duly constituted meeting of the directors of the Company Any such appointment or removal shall take effect as at the time of such lodgement or delivery or at such later time as shall be specified in such notice

21. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 21 1 Any director (in each case other than an alternate director) (in this article, the "appointor") may appoint any person (whether or not a director) to be an alternate director ("alternate" or "alternate director")
- 21 2 In the absence of the alternate's appointor, the alternate director may exercise the powers and carry out the responsibilities of his appointor in relation to the taking of decisions by the directors
- 21 3 Any appointment or removal of an alternate director shall be made by notice in writing to the Company signed by the appointor
- 21 4 The notice must
 - 21 4 1 identify the proposed alternate director, and
 - 21 4 2 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 director of the appointor
- 21 5 An alternate director has the same rights, in relation to any decision of the directors, as the alternate's appointor
- 21 6 Except as otherwise provided in the articles, alternate directors
 - 21 6 1 are deemed for all purposes to be directors,
 - 21 6 2 are liable for their own acts and omissions,
 - 21 6 3 are subject to the same restrictions as their appointors, and

- 21 6 4 are not deemed to be the agents of or for their appointors
- 21 7 Each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member
- 21 8 A person who is an alternate director, but not a director
- 21 8 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating), and
- 21 8 2 may participate in decisions of the directors (but only if his appointor is eligible to participate in relation to that decision and does not himself participate)
- 21 9 On any decision of the directors, in addition to his own vote, a director who is also an alternate director is entitled (in the absence of his appointor) to a separate vote on behalf of his appointor (provided that his appointor is eligible to participate in relation to that decision)
- 21 10 An alternate director may be paid expenses and may be indemnified by the Company to the same extent as if he were a director. An alternate director 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 his appointor as the appointor may by notice in writing to the Company from time to time direct
- 21 11 An alternate director's appointment as an alternate terminates
- 21 11 1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate, or
- 21 11 2 when an event occurs in relation to the alternate 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
- 21 11 3 when the alternate director's appointor ceases to be a director for whatever reason

22. DIRECTORS' REMUNERATION

- 22 1 Directors may undertake any services for the Company that the directors decide
- 22 2 Directors are entitled to such remuneration as the Strategy committee of the board of Directors shall determine from time to time
- 22 3 Subject to the articles, a director's remuneration may
- 22 3 1 take any form, and
- 22 3 2 include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director
- 22 4 Unless the directors decide otherwise, directors' remuneration accrues from day to day
- 22 5 Unless the directors decide otherwise, directors are not accountable to the Company for any remuneration which they receive as directors or other officers or employees of the Company's subsidiaries or of any other body corporate in which the Company is interested

23. DIRECTORS' EXPENSES

The Company may pay any reasonable expenses which the directors properly incur in connection with their attendance at

- 23 1 meetings of directors or committees of directors,

- 23 2 general meetings, or
- 23 3 separate meetings of the holders of any class of shares or of debentures of the Company,
or otherwise in connection with the exercise of their powers and the discharge of their duties
and responsibilities in relation to the Company

SHARES AND DISTRIBUTIONS

24. SHARE CAPITAL

- 24 1 The share capital of the Company at the date of adoption of these articles is one million and twenty five thousand pounds (£1,025,000) divided into 500,000 A Shares and 525,000 B Shares ¹

- 24 2 Except as otherwise provided in these articles (and in particular, but without prejudice to the generality of the foregoing, as detailed in articles 24 11 to 24 13 (inclusive)), the A Shares and the B Shares shall rank *pari passu* in all respects but shall constitute separate classes of share

- 24 3 On the transfer of any share as permitted by these articles

24 3 1 a share transferred to a non-member shall remain of the same class as before the transfer, and

24 3 2 a share transferred to a member shall automatically be redesignated on transfer as a share of the same class as those shares already held by such member

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

- 24 4 Subject to article 24 5, without having first obtained the consent of the B Shareholder Majority and A Shareholder Majority, no share (other than B Shares) nor any right to subscribe for or convert any security into shares (other than B Shares) may be issued or allotted to any person prior to the expiry of the first Put Option Period

- 24 5 Shares and rights to subscribe for or convert any security into shares may be issued and allotted to any member of the Holding Group (the "First Permitted Allottee") prior to the expiry of the first Put Option Period provided that if the First Permitted Allottee ceases to be a member of the Holding Group, the First Permitted Allottee must, not later than the date five Business Days after the date on which it so ceases, transfer all (but not some only) of its shares to a member of the Holding Group (which is not in liquidation), failing which the Company shall execute a transfer of the shares to Holding on behalf of the First Permitted Allottee and register Holding as the holder of such shares

- 24 6 Following the expiry of the first Put Option Period, no share nor any right to subscribe for or convert any security into shares may be issued or allotted to any person unless within one month before the issue or allotment the A Shareholder Majority has consented in writing to the issue or allotment, its terms and the identity of the proposed allottee

- 24 7 Subject to articles 24 4 to 24 6 (inclusive), the directors (for the purposes of section 551 of the Act) are generally and unconditionally authorised to allot or grant rights to subscribe for, or to convert any security into, any unissued shares to such persons, on such terms and in such manner as they think fit, but subject to any agreement binding on the Company. The authority contained in this article 24 7 shall, unless revoked or varied in accordance with

¹ As at 25 July 2016, the share capital of the Company was £1,100,000, divided into 575,000 A Shares and 525,000 B Shares

section 551 of the Act expire on the fifth anniversary of the date of adoption of these articles but without prejudice to any offer or agreement made before that anniversary which would or might require the exercise by the directors after such anniversary of their powers in pursuance of this authority

- 24 8 In exercising their authority under article 24 7 the directors shall not be required to have regard to sections 561 and 562 of the Act which sections shall be excluded from applying to the Company
- 24 9 No variation of the rights attaching to any class of shares (including, for the avoidance of doubt, the right granted to the holders of the B Shares to exercise a Put Option) shall be effective except with the sanction of a written resolution of the holders of the shares of the relevant class or a special resolution passed at a separate general meeting of the holders of the shares of the relevant class. To any such separate general meeting 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 one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative. For the purpose of this article one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting
- 24 10 Any increase or reduction of the rights attaching to any share capital (including any alteration to the share transfer provisions set out in these Articles or the provisions relating to the Options set out in article 31 and in Appendices 1 to 3 (inclusive)) shall be deemed to constitute a variation of the rights attached to each class of shares but, for the avoidance of doubt, the following shall not be deemed to a variation
- 24 10 1 any increase in the issued share capital unless such increase does not comply with the provisions of articles 24 4 to 24 6; and
- 24 10 2 any resolution to put the Company into liquidation
- 24 11 Any person holding B Shares having a total nominal amount equal to or exceeding 5% of the total nominal amount of the A Shares and the B Shares for the time being in issue shall be entitled to voting rights equal to 5% of the total voting rights attached to or exercisable in respect of all the A Shares and B Shares for the time being in issue, whether on a resolution on a show of hands or on a poll or on a written resolution. Subject to the previous sentence, none of the B Shares shall have or otherwise carry any right and/or entitlement to vote (save at any general meeting of the B Shareholders and in relation to any proposed resolution to vary any rights attaching to the B Shares)
- 24 12 Unless otherwise agreed in writing to the contrary between the A Shareholder Majority and the B Shareholder Majority, on a return of capital to shareholders, any assets shall be distributed amongst the holders of the A Shares and the B Shares *par passu* as if the same constituted one class of share
- 24 13 Save as provided in article 24 11, only A Shares shall have rights to vote

25. ALL SHARES TO BE FULLY PAID UP

- 25 1 No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its issue
- 25 2 This does not apply to shares taken on the formation of the Company by the subscribers to the Company's memorandum

26. POWER TO ISSUE DIFFERENT CLASSES OF SHARE

- 26 1 Subject to the articles, but without prejudice to the rights attached to any existing share, the Company may issue shares with such rights or restrictions as may be determined by ordinary resolution
- 26 2 The Company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares

27. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

Except as required by law, no person is to be recognised by the Company as holding any share upon any trust, and except as otherwise required by law or the articles, the Company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it

28. SHARE CERTIFICATES

- 28 1 The Company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds
- 28 2 Every certificate must specify
 - 28 2 1 in respect of how many shares, of what class, it is issued,
 - 28 2 2 the nominal value of those shares, and
 - 28 2 3 either that the shares are fully paid, or the amount paid up on each share
- 28 3 No certificate may be issued in respect of shares of more than one class
- 28 4 If more than one person holds a share, only one certificate may be issued in respect of it
- 28 5 Certificates must be executed in accordance with the Act

29. REPLACEMENT SHARE CERTIFICATES

- 29 1 If a certificate issued in respect of a shareholder's shares is
 - 29 1 1 damaged or defaced, or
 - 29 1 2 said to be lost, stolen or destroyed,that shareholder is entitled to be issued with a replacement certificate in respect of the same shares
- 29 2 A shareholder exercising the right to be issued with such a replacement certificate
 - 29 2 1 must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
 - 29 2 2 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide

30. GENERAL PROVISIONS RELATING TO SHARE TRANSFERS

- 30 1** No B Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any B Share or any interest in any B Share except
- 30 1 1** pursuant to the exercise of an Option, or
 - 30 1 2** in accordance with the Shareholders' Agreement
- 30 2** No A Shareholder shall sell, transfer, assign, pledge, charge or otherwise dispose of any A Share or any interest in any A Share (each an "A Share Transfer")
- 30 2 1** before the expiry of the first Put Option Period unless it has given the B Shareholders 30 days' prior written notice of the proposed A Share Transfer and it has obtained the express prior written consent of B Shareholder Majority (together the "A Share Transfer Notice"), or
 - 30 2 2** except in accordance with article 30 3
- 30 3** Holding (being the only A Shareholder at the date of the adoption of these articles) may at any time transfer (in whole or part) its shares to a Permitted Transferee. If a Permitted Transferee (the "First Permitted Transferee") ceases to be a member of the Holding Group, the First Permitted Transferee must, not later than the date five Business Days after the date on which it so ceases, transfer all (but not some only) of its shares back to Holding or to a different Permitted Transferee (which in either case is not in liquidation), failing which the Company shall execute a transfer of the shares to Holding on behalf of the First Permitted Transferee and register Holding as the holder of such shares
- 30 4** The directors shall not enter on the register of members of the Company the name of any transferee or transferees of a share which has been transferred or purportedly transferred in breach of any of the provisions of this article 30
- 30 5** Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor, and unless the share is fully paid, the transferee
- 30 6** No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share
- 30 7** The Company may retain any instrument of transfer which is registered
- 30 8** The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- 30 9** The directors may refuse to register a transfer unless the instrument of transfer is delivered to the registered office or such other place as the directors may decide and is accompanied by the certificate for the shares to be transferred (or an indemnity for any certificate not in the transferor's possession in such form as the directors may reasonably decide) and such other evidence as the directors may reasonably require to prove the title of the transferor and the execution by him of the transfer or, if the transfer is signed by some other person on his behalf, the authority of that person to do so
- 30 10** Other than in circumstances where the refusal to register a transfer is expressly permitted or required by these articles, the directors may not refuse to register the transfer of a share, and shall promptly approve for registration each transfer which is presented to them for registration
- 30 11** If the directors refuse to register the transfer of a share the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

31. OPTIONS

- 31 1 All the B Shares held by each B Shareholder are subject to and have the benefit of (as the case may be) the following options (the "Options")
- 31 1 1 a call option in favour of the A Shareholder the terms of which are set out in Appendix 1 (the "Call Option"), and
 - 31 1 2 a put option in favour of each B Shareholder, the terms of which are set out in Appendix 1 (the "Put Option")

32. PROCEDURE FOR DECLARING DIVIDENDS

- 32 1 The Company may by A Shareholder Majority declare dividends and pay dividends
- 32 2 A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors
- 32 3 No dividend may be declared or paid unless it is in accordance with shareholders' respective rights
- 32 4 Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholder's holding of shares on the date of the resolution or decision to declare or pay it
- 32 5 If the Company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear
- 32 6 The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment
- 32 7 If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights

33. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

- 33 1 Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means
- 33 1 1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide,
 - 33 1 2 sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient either in writing or as the directors may otherwise decide,
 - 33 1 3 any other means of payment as the directors agree with the distribution recipient in writing or as the directors may otherwise decide
- 33 2 In this article, the "distribution recipient" means, in respect of a share in respect of which a dividend or other sum is payable
- 33 2 1 the holder of the share, or
 - 33 2 2 if the share has two or more joint holders, whichever of them is named first in the register of members, or
 - 33 2 3 if the holder is no longer entitled to the share by reason of death or bankruptcy, or

otherwise by operation of law, the person entitled to such share

34. NO INTEREST ON DISTRIBUTIONS

The Company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by

- 34 1 the terms on which the share was issued, or
- 34 2 the provisions of another agreement between the holder of that share and the Company

35. DEDUCTION FROM DIVIDENDS

The directors may deduct from any dividend payable on or in respect of a share all sums of money presently payable by the holder to the Company on any account whatsoever

36. UNCLAIMED DISTRIBUTIONS

- 36 1 All dividends or other sums which are
 - 36 1 1 payable in respect of shares, and
 - 36 1 2 unclaimed after having been declared or become payable,may be invested or otherwise made use of by the directors for the benefit of the Company until claimed
- 36 2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it
- 36 3 If
 - 36 3 1 12 years have passed from the date on which a dividend or other sum became due for payment, and
 - 36 3 2 the distribution recipient has not claimed it,the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

37. NON-CASH DISTRIBUTIONS

- 37 1 Subject to the terms of issue of the share in question, the Company may, by special resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company)
- 37 2 For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution
 - 37 2 1 fixing the value of any assets,
 - 37 2 2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients, and
 - 37 2 3 vesting any assets in trustees

38 WAIVER OF DISTRIBUTIONS

Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the Company notice in writing to that effect, but if

- 38 1 the share has more than one holder, or
- 38 2 more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise,

the notice is not effective unless it is expressed to be given, and signed, by all the holders or persons otherwise entitled to the share

39 AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 39 1 Subject to the articles, the directors may, if they are so authorised by a special resolution
 - 39 1 1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and
 - 39 1 2 appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions
- 39 2 Capitalised sums must be applied
 - 39 2 1 on behalf of the persons entitled, and
 - 39 2 2 in the same proportions as a dividend would have been distributed to them
- 39 3 Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct
- 39 4 A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the Company which are then allotted credited as fully paid to the persons entitled or as they may direct
- 39 5 Subject to the articles the directors may
 - 39 5 1 apply capitalised sums in accordance with articles 39 3 and 39 4 partly in one way and partly in another,
 - 39 5 2 make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments), and
 - 39 5 3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article

DECISION-MAKING BY SHAREHOLDERS

40. NOTICE, ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 40 1 General meetings shall be called by at least 14 clear days' notice (that is, excluding the day of the general meeting and the day on which the notice is given)

- 40 2 The notice shall specify the date, time and place of the meeting and the general nature of the business to be transacted
- 40 3 Subject to the articles and to any restrictions imposed on any shares, the notice shall be given to all the shareholders, to all persons entitled to a share in consequence of the death or bankruptcy of a shareholder and to the directors and auditors of the Company
- 40 4 A person is able to exercise the right to speak at a general meeting when that person is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which that person has on the business of the meeting
- 40 5 A person is able to exercise the right to vote at a general meeting when
 - 40 5 1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
 - 40 5 2 that person's vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting
- 40 6 The directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it
- 40 7 In determining attendance at a general meeting, it is immaterial whether any two or more shareholders attending it are in the same place as each other
- 40 8 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

41. QUORUM FOR GENERAL MEETINGS

- 41 1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum
- 41 2 The number of persons who shall constitute a quorum at any general meeting shall be those A Shareholders (present in person or by proxy or, if a corporate shareholder, by its duly authorised representative) representing an A Shareholder Majority

42. CHAIRING GENERAL MEETINGS

- 42 1 The chairman shall chair general meetings if present and willing to do so
- 42 2 If the chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start
 - 42 2 1 the directors present, or
 - 42 2 2 (if no directors are present), the meeting,
 must appoint an A Director to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting
- 42 3 The person chairing a meeting in accordance with this article is referred to as the chairman of the meeting

Attendance and speaking by directors and non-shareholders

- 42 4 Directors may attend and speak at general meetings, whether or not they are shareholders

- 42 5 The chairman of the meeting may permit other persons who are not
42 5 1 shareholders in the Company, or
42 5 2 otherwise entitled to exercise the rights of shareholders in relation to general meetings,
to attend and speak at a general meeting

Adjournment

- 42 6 If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it
- 42 7 The chairman of the meeting may adjourn a general meeting at which a quorum is present if
42 7 1 the meeting consents to an adjournment, or
42 7 2 it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner
- 42 8 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting
- 42 9 When adjourning a general meeting, the chairman of the meeting must
42 9 1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors, and
42 9 2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting
- 42 10 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)
42 10 1 to the same persons to whom notice of the Company's general meetings is required to be given, and
42 10 2 containing the same information which such notice is required to contain
- 42 11 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place

43. VOTING. GENERAL

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with the articles

44. ERRORS AND DISPUTES

- 44 1 No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid
- 44 2 Any such objection must be referred to the chairman of the meeting, whose decision is final

45. POLL VOTES

- 45 1 A poll on a resolution may be demanded**
 - 45 1 1 in advance of the general meeting where it is to be put to the vote, or**
 - 45 1 2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared**
- 45 2 A poll may be demanded by**
 - 45 2 1 the chairman of the meeting,**
 - 45 2 2 two or more persons having the right to vote on the resolution, or**
 - 45 2 3 a person or persons representing not less than one tenth of the total voting rights of all the shareholders having the right to vote on the resolution or any person holding B Shares having a total nominal amount equal to or exceeding 5% of the total nominal amount of all the A Shares and B Shares for the time being in issue**
- 45 3 A demand for a poll may be withdrawn if**
 - 45 3 1 the poll has not yet been taken, and**
 - 45 3 2 the chairman of the meeting consents to the withdrawal**
- 45 4 A demand for a poll which is withdrawn shall not invalidate the result of a show of hands declared before the demand was made**
- 45 5 A poll demanded on the election of a chairman or on a question of adjournment shall be taken immediately. A poll demanded on any other question shall be taken at such time (not being more than 30 days from the date of the meeting or adjourned meeting at which that poll is demanded) and place and in such manner as the chairman of the meeting directs**

46. CONTENT OF PROXY NOTICES

- 46 1 Proxies may only validly be appointed by a notice in writing (a "proxy notice") which**
 - 46 1 1 states the name and address of the shareholder appointing the proxy,**
 - 46 1 2 identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed,**
 - 46 1 3 is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine, and**
 - 46 1 4 is delivered to the Company in accordance with the articles and, subject to article 46 5, any instructions contained in the notice of the general meeting to which they relate**
- 46 2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes**
- 46 3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions**
- 46 4 Unless a proxy notice indicates otherwise, it must be treated as**
 - 46 4 1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and**
 - 46 4 2 appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself**

- 46 5 The last time for delivery of the proxy notice to the Company must not be earlier than the following time
- 46 5 1 in the case of a meeting or adjourned meeting, 48 hours before the time for holding the meeting or adjourned meeting,
 - 46 5 2 in the case of a poll taken more than 48 hours after it was demanded, 24 hours before the time appointed for the taking of the poll, and
 - 46 5 3 in the case of a poll taken not more than 48 hours after it was demanded, the time at which it was demanded
- 46 6 The directors may specify in the notice of meeting that in calculating the time for delivery of proxies, no account has been taken of any part of a day that is not a working day

47. DELIVERY OF PROXY NOTICES

- 47 1 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person
- 47 2 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given
- 47 3 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates
- 47 4 If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf

48. AMENDMENTS TO RESOLUTIONS

- 48 1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if
- 48 1 1 notice of the proposed amendment is given to the Company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and
 - 48 1 2 the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution
- 48 2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if
- 48 2 1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and
 - 48 2 2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution
- 48 3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution

ADMINISTRATIVE ARRANGEMENTS

49. MEANS OF COMMUNICATION TO BE USED

- 49 1 Subject to the other provisions of these articles, anything sent or supplied by or to the Company under the articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the Company
- 49 2 Subject to the other provisions of these articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being
- 49 3 A director may agree with the Company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours
- 49 4 The address for service of the Company shall be the office or such other place as the directors may appoint. The address for service of each shareholder shall be his address in the register of members within the United Kingdom or such other address for service, which may include an electronic address, as the addressee may from time to time notify to the Company for the purposes of this article. In the absence of such address the shareholder shall not be entitled to receive from the Company notice of any meeting
- 49 5 In the case of joint holders of a share, a notice or other document or information shall be sent or given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice or other documents or information so sent or given shall be sufficiently sent to all the joint holders
- 49 6 Notices or other documents or information will be deemed to be received
- 49 6 1 if personally delivered, at the time of delivery and, in proving service, it shall be sufficient to produce a receipt for the notice or other document or information signed by or on behalf of the addressee,
 - 49 6 2 if by letter, at noon two days after such letter was posted and, in proving service, it shall be sufficient to prove that the letter was properly prepaid or stamped first class, addressed and delivered to the postal authorities,
 - 49 6 3 if by electronic communication to an electronic address, on the same day it is sent and, in proving service, it shall be sufficient to prove that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators from time to time, and
 - 49 6 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
- 49 7 For the purposes of this article, no account shall be taken of any part of a day that is not a working day

50. COMPANY SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement

51. COMPANY SEALS

- 51 1 Any common seal may only be used by the authority of the directors
- 51 2 The directors may decide by what means and in what form any common seal is to be used
- 51 3 Unless otherwise decided by the directors, if the Company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature
- 51 4 For the purposes of this article, an authorised person is
- 51 4 1 any director,
 - 51 4 2 the company secretary (if any), or
 - 51 4 3 any person authorised by the directors for the purpose of signing documents to which the common seal is applied

52. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

Except as provided by law or authorised by the directors or an ordinary resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a shareholder

53. INDEMNITY

- 53 1 Subject to the provisions of the Act, the Company may
- 53 1 1 indemnify to any extent any person who is or was a director, or a director of an associated company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company, or
 - 53 1 2 indemnify to any extent any person who is or was a director of an associated company that is a trustee of an occupational pension scheme, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any liability incurred by him in connection with the company's activities as trustee of an occupational pension scheme
- 53 2 Companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate

54. INSURANCE

Subject to the provisions of the Act, the Company may purchase and maintain insurance for any person who is or was a director, or a director of any associated company, against loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company

APPENDIX 1

Options

1. OPTION PERIODS

- 1 1** In respect of each B Shareholder and the B Shares held by him
- 1 1 1** a Put Option may be exercised at any time during the period of 60 days following either
- (a)** the Determination of a set of Option Accounts PROVIDED THAT the earliest date any such period could commence is the Initial Date, or
 - (b)** the date on which an A Share Transfer Notice is served (whether before or after the Initial Date),
- (each a "Put Option Period") by notice in writing from the B Shareholder to the A Shareholder of its intention to exercise the Put Option, and
- 1 1 2** the Call Option may be exercised at any time during the period of 60 days immediately following the expiry of each Put Option Period by notice in writing from the A Shareholder to a B Shareholder of its intention to exercise the Call Option,
- and in each case the "Sale Shares" shall be all (and subject to paragraph 1 4 not part only) of the B Shares held by the relevant B Shareholder
- 1 2** Any of the time periods or dates in paragraph 1 1 may be extended or modified by the written agreement of the A Shareholders and a B Shareholder Majority on such terms as they see fit
- 1 3** Any notice issued pursuant to paragraph 1 1 shall be an Exercise Notice
- 1 4** An Option can be exercised on one or more occasions in respect of some and not all of the B Shares held by a B Shareholder PROVIDED THAT after completion of the sale of such B Shares pursuant to that Option, the number of B Shares that remain legally and beneficially owned by that B Shareholder does not amount to a number less than the Minimum Percentage

2 EXERCISE NOTICE

- 2 1** An Exercise Notice shall contain the following
- 2 1 1** the date on which the Exercise Notice is given,
 - 2 1 2** a statement to the effect that the relevant Option is being exercised,
 - 2 1 3** a signature by or on behalf of the Shareholder exercising the Option, and
 - 2 1 4** the number of B Shares to which the Exercise Notice relates
- 2 2** Once given, an Exercise Notice cannot be revoked by the server of the Exercise Notice without the express written consent of the recipient of such notice, namely the relevant B Shareholder or A Shareholder (as the case may be)

3 CONSIDERATION

- 3 1** The price payable for the Sale Shares shall be calculated as follows (the "Option Price")
- (AxB) less (subject to paragraph 3 5) the Base Value

$$\text{Plus } \left\{ \text{£}346,250 \times \frac{F}{G} \right\}$$

where

A = the number of B Shares in respect of which the Exercise Notice has been exercised divided by the total number of B Shares held by the B Shareholder at the date of such exercise,

B = the Ratchet Price as relates to the Sale Shares and the B Shareholder in question,

F = the number of B Shares in respect of which the Exercise Notice has been exercised by the relevant B Shareholder,

G = the total number of B Shares for the time being in issue

3 2 Within 10 Business Days following the service of an Exercise Notice the A Shareholder shall provide to the relevant Selling Shareholder a draft Calculation. In the event that the Selling Shareholder disagrees with the draft Calculation, it shall provide the A Shareholder with a revised draft Calculation (together with the reasons for its changes) within 15 Business Days of receipt of the A Shareholder's draft Calculation. In the event that no revised draft is provided, the A Shareholder's draft Calculation shall be final and binding upon the Selling Shareholder in question.

3 3 In the event that the A Shareholder and the relevant Selling Shareholder cannot agree the Calculation within 10 Business Days of the receipt by the A Shareholder of the Selling Shareholder's revised draft Calculation then either party shall be entitled to request that the Calculation be determined by the Independent Accountants (in accordance with the provisions of paragraph 4 of Part 2 of Appendix 3 who shall make such determination within 30 Business Days of the referral to him).

3 4 The Option Price shall be as is set out in the Calculation

3 4 1 agreed between the A Shareholder and the Selling Shareholder, or

3 4 2 determined by the Independent Accountants.

3 5 In respect of each B Shareholder, the "Base Value" shall be a sum equal to the total aggregate principal amount payable or paid by the Company to that B Shareholder under the Loan Notes held by such B Shareholder at any time provided that this sum may subject to paragraph 3 6 only be deducted once in respect of any Option exercised by or in relation to any B Shareholder.

3 6 In the event that the Base Value exceeds the sum of the relevant (A x B) calculation made pursuant to paragraph 3 1, the amount of any such excess shall be deemed to be the Base Value for the purposes of any future Option Price calculations made in respect of any further Options exercised in respect of the remaining B Shares held by such B Shareholder and shall be applied accordingly in determining the Option Price for such B Shares.

4 COMPLETION

4 1 Completion of the sale and purchase of Sale Shares shall take place at the registered office of the Company on the date which is ("Sale Shares Completion Date") 10 Business Days after the date of agreement or determination (as the case may be) of the Calculation in accordance with paragraph 3 above.

4 2 At Sale Shares Completion

- 4 2 1** the Selling Shareholder shall transfer the Sale Shares by way of a duly completed share transfer form to the A Shareholder together with the relevant share certificate and such other documents as the purchaser may reasonably require to show good title to the Sale Shares and enable it to be registered as the holder of the Sale Shares, and
- 4 2 2** the A Shareholder shall, subject to any rights of set-off, retention and/or withholding contained in the Shareholders Agreement pay the relevant Option Price (so agreed or determined) by telegraphic transfer to the Selling Shareholder or his solicitors (who have been irrevocably authorised by the Selling Shareholder) to receive it and whose receipt thereof shall be an absolute discharge to the A Shareholder who shall not have to be concerned about the application of such funds)
- 4 3** The Sale Shares will be sold to the A Shareholder with full title guarantee
- 4 4** The shareholders shall procure the registration (subject to due stamping by the purchaser) of the transfers of the Sale Shares under this Appendix and each of them consents to such transfers pursuant to these articles
- 4 5** If the Selling Shareholder fails to deliver duly completed share transfer forms for the relevant Sale Shares to the A Shareholder by the Sale Shares Completion Date as required by paragraph 4 2
- 4 5 1** the directors may (and shall if requested by the A Shareholder) authorise any director to transfer the Sale Shares on the Selling Shareholder's behalf to the A Shareholder provided the A Shareholder has, by the Sale Shares Completion Date, put the Company in funds to pay the price due for the relevant Sale Shares (which the Company shall hold on trust for the Selling Shareholder),
- 4 5 2** the directors shall then authorise registration of the share transfer once the appropriate stamp duty has been paid, and
- 4 5 3** the Selling Shareholder shall surrender his share certificate (or provide an indemnity for any lost, stolen or destroyed certificate) for the Sale Shares to the Company and on surrender of the certificate or the provision of such an indemnity he shall be entitled to the purchase price for the Sale Shares
- 4 6** The A Shareholder is not obliged to complete the purchase of any of the Sale Shares being sold unless the purchase of all the Sale Shares being acquired pursuant to paragraph 4 1 completes simultaneously

APPENDIX 2

Ratchet Price

5 1 The Ratchet Price shall be calculated as follows

5 1 1 the Option Accounts, to be used in a calculation of the Average Adjusted EBIT, shall be the determined Option Accounts relating to the last two Financial Years prior to the service of an Exercise Notice (the "Selected Accounts"),

5 1 2 the "Average Adjusted EBIT" means the Adjusted EBIT shown in the Selected Accounts for each of the two Financial Years in question added together and divided by two,

5 1 3 in respect of a B Shareholder, the Ratchet Price shall be a sum in pounds equal to the product of the following formula

Multiplier x Total Initial Investment

where

- the size of the "Multiplier" is dependent upon the size of the Average Adjusted EBIT calculated pursuant to paragraph 5 1 2 above and shall be determined by reference to the table set out below

Average Adjusted EBIT (£k)	Multiplier
Less than 2,000	0 750
3,000	1 000
4,000	1 000
5,000	1 000
6,000	1 000
7,000	1 000
7,500	2 250
8,000	2 375
8,500	2 500
9,000	2 625
9,500	2 750
10,000	2 875
10,500	3 000
11,000	3 125
11,500	3 250
12,000	3 375
12,500	3 500
13,000	3 625
13,500	3 750
14,000	3 875
14,500	4 000
15,000	4 125
15,500	4 250
16,000	4 375
16,500 and more	4 500

- In the event the amount of Average Adjusted EBIT falls between any of the amounts set out in column 1 of the table above, the size of the Multiplier will be adjusted proportionately See worked example below
- In respect of the relevant B Shareholder who holds the B Shares the subject of the Exercise Notice, his "Total Initial Investment" shall be an amount equal to the product following sum

- (number of B Shares held by the Selling Shareholder at the date the Exercise Notice is served) x4

Worked Example of Ratchet Price

Where the Total Initial Investment = £100,000 and the Average Adjusted EBIT = £8,155,000

Multiplier = $(Z \times Y) + 2.38$

where $Z = (\text{£}8,155,000 - \text{£}8,000,000) / (\text{£}8,500,000 - \text{£}8,000,000)$

and $Y = 2.500 - 2.375$

Therefore, Multiplier = 2.41375

Ratchet Price = $2.41375 \times \text{£}100,000 = \text{£}241,375$

APPENDIX 3

Option Accounts

Part 1

Policies and specific adjustments

1. BASIS FOR PREPARING OPTION ACCOUNTS

- 2 1 The following accounting policies, principles, practices and methodologies shall be applied in preparing the Option Accounts

2. GENERAL ACCOUNTING POLICIES

- 2 2 The Option Accounts shall be prepared on the following basis according to Swiss GAAP FER at the end of the Financial Year to which the Option Accounts relate, and
- 2 3 for the sole purpose of calculating the Adjusted EBIT (and not the Option Accounts generally), by applying the specific adjustments and practices detailed in paragraph 3 below)

3. ADJUSTMENTS TO EBIT

- 3 1 The following matters shall be excluded for the purposes of calculating EBIT

3 1 1 any costs associated with the defined benefit pension scheme operated by Hotelplan Limited for its (or any other Travel Group Company's) directors, officers or employees ("Scheme") save to the extent such costs relate to any members of that Scheme who are directors, officers or employees of a Travel Group Company at 10 May 2010 ("Current Members") but provided always that if there are any material increases in the rate of employer's contribution in respect of such Current Members or otherwise a material one-off payment is required to make good any deficit within the Scheme (notwithstanding that such increase or contribution could relate to the Current Members), these payments (together with all related legal costs and expenses incurred or paid by the Company or any Travel Group Company, including but not limited to those of the trustee of the Scheme and of any representative beneficiary of the Scheme) will be excluded from the calculation of EBIT,

3 1 2 any material increase in non-arm's length costs or income that are

- (a) in the reasonable opinion of either the A Shareholder Majority or the B Shareholder Representative unduly detrimental or beneficial (as the case may be) to the EBIT of the Travel Group Companies, and
- (b) which have been introduced or have otherwise arisen, after the date on which this Appendix 3 was adopted by amendment to these Articles of Association, as a result of the imposition or application of Holding Group policies or practices (other than those required by law) through the integration of Enigma Travel Group Limited and its subsidiaries and each of their respective businesses into the Holding Group

3 1 3 any impairment or purchase price allocation charge or amortisation charge on goodwill (together with any costs and fees relating to the calculation or assessment of such charge) levied or otherwise required to be provided for under Swiss GAAP FER in respect of the purchased goodwill relating to the acquisition of the share capital of Enigma by the Company,

3 1 4 any transfer pricing or non operating item charges levied or otherwise required and reported separately in the trading report,

- 3 1 5 any share option or equivalent charge (but excluding for the avoidance of doubt any tax or social security charges) levied or otherwise required to be provided for under Swiss GAAP FER in respect of the exercise of any of the Options,
 - 3 1 6 any mark-to-market gains or losses arising from any currency purchase contracts or arrangement, and
 - 3 1 7 all legal, professional and advisers' fees and expenses and all stamp duty incurred or payable by the Company in connection with its acquisition of the issued share capital of Explore Worldwide Limited
- 3 2 In the event that there has been a Paid Claim (defined below) during the Financial Year in question (but then only to the extent such adjustment as detailed in this paragraph 3 2 has not already been taken into account in the preparation of Option Accounts for previous Financial Years), there shall be added to the EBIT a sum equal to the lower of
- 3 2 1 the amount of monies received by Holding, the Company and/or any other member of the Holding Group from the B Shareholder(s) or any of them as compensation or otherwise in settlement of such Paid Claim (whether by payment in cash in cleared funds or by the right of set-off exercised by Holding, the Company and/or any other member of the Holding Group in accordance with clause 3 of the Shareholders' Agreement ("Set-Off")), and
 - 3 2 2 the amount by which the EBIT of the relevant Travel Group Company was reduced as a result of any payment or liability made or incurred by that company to a third party in connection with the subject matter of such Paid Claim,

For the purposes of this paragraph 3 2, "Paid Claim" means a Claim (as defined in the Shareholders Agreement) made by any Travel Group Company against any B Shareholder where such claim has been either Settled or Determined (as each such term is defined in the Shareholders Agreement) and/or either

- (a) the relevant Travel Group Company has received payment from the B Shareholder(s) (or any of them) in connection with such Claim, and/or
- (b) an amount has been Set-off in connection with such Claim

Part 2

Preparation, agreement and determination

1. PREPARATION OF OPTION ACCOUNTS

To enable the Adjusted EBIT for each Financial Year to be ascertained, as soon as reasonably practicable, and in any event within 30 Business Days following the end of a Financial Year and the finalisation of each set of Audited Accounts for all the Travel Group Companies for such Financial Year, the Company shall procure that draft Option Accounts for that Financial Year ("Draft") together with all relevant material working papers used in order to prepare such draft be prepared and delivered to the Shareholders

2. REVIEW OF DRAFT

- 2 1 If any of the A Shareholders and the B Shareholders do not agree with any Draft as submitted in accordance with paragraph 1 above it shall give notice to the other shareholders of those items on which it disagrees together with reasons for such disagreement and an explanation of the adjustments which it considers should be made to the Draft
- 2 2 Any such notice shall be made within 20 Business Days of delivery of the Draft and if no such notice is given, the Draft shall constitute Determined Option Accounts for the purposes of these articles

3. FINALISATION OF DRAFT BY AGREEMENT

- 3 1 If any shareholder has given notice in accordance with paragraph 2 1 as to the items on which it disagrees then the shareholders shall use their respective reasonable endeavours to agree in writing such items and the adjustments to the Draft
- 3 2 If the shareholders are not able to agree in writing such items and adjustments within 20 Business Days after the notice given in accordance with paragraph 2 1, then the items of disagreement shall be referred to the Independent Accountants on the application of any shareholder

4. INDEPENDENT ACCOUNTANTS

- 4 1 The Independent Accountants shall be such independent firm of chartered accountants of international reputation
 - 4 1 1 as the shareholders may agree in writing within five Business Days of a notice by any shareholder requesting agreement, or
 - 4 1 2 failing such agreement, as shall be appointed on the application of any shareholder by or on behalf of the President of the Institute of Chartered Accountants in England and Wales for the time being
- 4 2 The Independent Accountants shall determine the matters in dispute between the shareholders and shall make such adjustments to the Draft (or, in the case of any determination pursuant to paragraph 3 3 of Appendix 1, the draft Calculation) as it considers necessary or appropriate
- 4 3 The Independent Accountants shall act as experts and not as arbitrators and their decision shall (in the absence of manifest error) be final and binding on the Company and all the shareholders

- 4.4** The fees and expenses of the Independent Accountants in arriving at their determination shall be borne as the Independent Accountants determine

5. FINALISATION OF DRAFT BY DETERMINATION

The Draft adjusted to take account of each item of disagreement and related adjustments thereto as agreed between the shareholders or, as the case may be, as determined by the Independent Accountants, shall constitute the Determined Option Accounts for the Financial Year in question for the purposes of these articles