

Company Number: 03357718

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

of

**UP GLOBAL SOURCING UK LIMITED**

(Company)

Circulation Date: *28 February* 2017

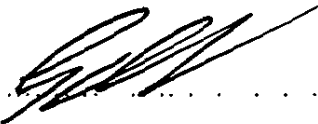
In accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006, the following resolution is passed as a special resolution of the Company:

**SPECIAL RESOLUTION**

**THAT** the articles of association attached to this resolution be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company.

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

We, the undersigned, being the sole person eligible to vote on the above resolution on the Circulation Date hereby irrevocably agree to the above resolution

  
.....

For and on behalf of UP Global Sourcing Holdings plc

Date: *28 February* 2017



**NOTES:**

1 If you agree with the resolutions, please sign and date this document and return it to the Company using one of the following methods

- **By Hand** delivering the signed copy to UP Global Sourcing UK Limited, Manor Mill, Chadderton, Oldham, OL9 0DD
- **Post**: returning the signed copy by post to UP Global Sourcing UK Limited, Manor Mill, Chadderton, Oldham, OL9 0DD

If you do not agree with the resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply

2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement

3 The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to it by the end of the period of 28 days beginning with the Circulation Date set out above. If you agree to the resolutions, please ensure that your agreement reaches us before that date

HILL DICKINSON



Company Number 03357718

UP GLOBAL SOURCING UK LIMITED

ARTICLES OF ASSOCIATION  
adopted on 28 February 2017

Hill Dickinson LLP  
50 Fountain Street  
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Company Number: 03357718

**PRIVATE COMPANY LIMITED BY SHARES**

**ARTICLES OF ASSOCIATION OF**

**UP GLOBAL SOURCING UK LIMITED**

**1 DEFINITIONS AND INTERPRETATION**

1.1 In these Articles the following words and expressions have the following meanings unless the context otherwise requires:

**A Ordinary Share** means an A ordinary share of £0.10 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles,

**A Ordinary Shareholder Entitlement** means the aggregate amount to be paid to the A Ordinary Shareholders pursuant to the provisions of article 4, or following a Payment Event, or otherwise upon the exercise of the Put Option or the Call Option in accordance with the provisions of articles 14 or 15 respectively, as calculated in accordance with the provisions of article 6,

**A Ordinary Shareholder** means any holder of A Ordinary Shares from time to time,

**Act** means the Companies Act 2006;

**Admission and Disclosure Standards** means the current edition of the Admission and Disclosure Standards published by the London Stock Exchange;

**Admission Share Capital** means 82,169,600 Parent Ordinary Shares;

**Adoption Date** means the date of the adoption of these Articles by the Company;

**Asset Sale** means the completion of any transaction or series of transactions whereby any person or group of persons purchase the whole or substantially the whole of the business and assets of the Group;

**Associated Company** means any company which, in relation to the Parent, is an associated company as that term is defined in section 449 of the CTA

2010 but with the omission of the words "or at any time within one year previously",

**Authorised Bank** means an authorised person (within the meaning of section 31(2) of the FSMA) with a part IV permission (within the meaning of section 40(4) of the FSMA) which includes accepting deposits or otherwise authorised in respect of that activity under section 31(1) of the FSMA,

**Bad Leaver** means any A Ordinary Shareholder who becomes a Leaver and who is not a Good Leaver;

**Business Day** means a day other than a Saturday or Sunday or public holiday in England,

**Calculation Date** means any date upon which the amount of the A Ordinary Shareholder Entitlement is required to be calculated for the purposes of these Articles;

**Cash Equivalent** means.

- (a) where the consideration comprises listed securities which are freely transferable by the holder for cash from the date of issue, such amount calculated by reference to the middle market price for such securities at the close of dealings on the dealing day prior to the completion of the Parent Share Sale,
- (b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed unconditionally by an Authorised Bank their face value (where the rate of interest is at least equivalent to the three month London Interbank Bid Rate) and, if less, such value will be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity;
- (c) where the consideration comprises listed securities subject to restrictions on their transfer by the holder for cash or unlisted securities or other instruments not guaranteed by an Authorised Bank, such amount as the External Specialist (on application by the Company (with Parent Consent)) certifies to be the fair current value of the same,
- (d) where the consideration comprises future fixed payments or future contingent payments, such amount as the External Specialist (on application by the Company (with Parent Consent)) certifies to be the fair current value of the same;

**Change of Control** means where any person (other than a Group Company or Associated Company) obtains Control of the Parent as a result of making an offer to acquire Parent Ordinary Shares and a person shall be deemed to have Control of the Parent if he and others acting in concert with him have together obtained Control of it;

**Committee** means the remuneration committee of the Parent or such other committee comprising a majority of non-executive Parent Directors to which the Parent Directors delegate responsibility for overseeing the operation of the Plan, or following a Change of Control of the Parent, those persons who comprised the remuneration committee or such other committee of the Parent Directors immediately before such Change of Control (but, for the avoidance of doubt, excluding from the decision of any such committee any person who is also an A Ordinary Shareholder),

**Company** means UP Global Sourcing UK Limited (registered in England and Wales with company number 03357718),

**Company Share Sale** means the completion of any offer or agreement to purchase all the equity share capital of the Company;

**Control** has the meaning given in section 995 Income Tax Act 2007;

**CTA 2010** means Corporation Tax Act 2010;

**Director** means a duly appointed director of the Company from time to time and **Directors** shall be construed accordingly,

**Eligible Director** means a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to **eligible directors** in article 8 of the Model Articles shall be construed accordingly,

**Eligible Employee** means any employee or director of a member of the Group;

**Employee Shareholder** means an employee of the Group who is, or who is intended to become, a holder of A Ordinary Shares;

**Encumbrance** means any mortgage, fixed or floating charge, pledge, lien, option, right to acquire, assignment by way of security, trust arrangement for the purpose of providing security or any other security interest of any kind, including retention arrangements and any agreement to create any of the above;

**External Specialist** means a reputable and experienced firm of accountants, a merchant bank or other corporate finance adviser whom the Company (with Parent Consent) appoint to determine any matter required to be determined in accordance with these Articles,

**FSMA** means the Financial Services and Markets Act 2000;

**Good Leaver** means any A Ordinary Shareholder who becomes a Leaver as a result of

- (a) the death of that Eligible Employee,
- (b) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) or injury where such ill health or injury is preventing, or is likely to prevent, the Eligible Employee from performing his normal duties under the terms of his employment contract, service agreement, letter of appointment or consultancy agreement (as appropriate), each as evidenced to the reasonable satisfaction of the Directors (with Parent Consent);
- (c) retirement at the normal retirement age in accordance with the Group's internal policies from time to time,

provided always that the Company (with Parent Consent) shall be entitled to resolve that an A Ordinary Shareholder is a Good Leaver for these purposes;

**Group** means the Parent and any Subsidiary and **Group Company** means any of them;

**holder** means, in relation to any Share

- (a) the person whose name is entered in the register of members of the Company as the holder of that Share from time to time, or
- (b) (if not the same person) the person who has ultimate beneficial ownership of the Share,

and held shall be construed accordingly;

**Hurdle Amount** means the higher of

- (a) £1 30; and
- (b) 130% of the Offer Price



**ITEPA** means the Income Tax (Earnings and Pensions) Act 2003,

**Leaver** has the meaning given in article 13 1,

**Leaver's A Ordinary Shareholder Entitlement** means the amount of the A Ordinary Shareholder Entitlement, divided by the total number of A Ordinary Shares in issue and multiplied by the number of Leaver's Shares held by the relevant Leaver;

**Leaver's Shares** means either

- (a) if the Leaver is a Good Leaver, X% of the A Ordinary Shares held by the relevant Leaver, where X is a percentage calculated by
  - (i) dividing the total number of days from the Leaving Date of that Leaver to the third anniversary of the Adoption Date by the total number of days from the Adoption Date to the third anniversary of the Adoption Date;
  - (ii) multiplying that figure by 100; and
- (b) if the Leaver is a Bad Leaver, 100% of the A Ordinary Shares held by the relevant Leaver,

**Leaving Date** means either

- (a) where the contract of employment of an Eligible Employee with the Group is terminated by a member of the Group without notice, the date on which the termination takes effect, or
- (b) where the contract of employment of an Eligible Employee with the Group is terminated by notice, the date on which that notice is served,

**Listing Rules** means the rules of the Financial Conduct Authority relating to admission to the Official List made in accordance with section 73A(2) of FSMA,

**London Stock Exchange** means London Stock Exchange plc,

**Majority** means a majority calculated by reference to the number of A Ordinary Shares held by the A Ordinary Shareholders,

**Member** means a registered holder of an issued Share from time to time, as recorded in the register of members of the Company,

**Model Articles** means the model articles for private companies limited by

shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date,

**Offer** means the offer of existing Parent Ordinary Shares to certain institutional and other investors in the United Kingdom and elsewhere as described in Part 11 of the Prospectus;

**Offer Price** means the price at which each existing Parent Ordinary Share is to be sold under the Offer, as specified in the Prospectus,

**Official List** means the Official List of the UK Listing Authority;

**Ordinary Share** means an ordinary share of £1.00 in the capital of the Company having the rights and being subject to the restrictions set out in these Articles;

**Ordinary Shareholder** means any holder of Ordinary Shares from time to time;

**Parent** means UP Global Sourcing Holdings plc (registered in England and Wales with company number 05432142);

**Parent Consent** means the prior written consent of the Parent Directors or the Committee;

**Parent Directors** mean the board of directors of the Parent or a duly authorised committee of the board of directors of the Parent (but excluding, for this purpose, any director of the Parent who is also an A Ordinary Shareholder);

**Parent Ordinary Shares** means the ordinary shares of 0.25 pence each in the equity share capital of the Parent,

**Parent Share Sale** means the completion of any offer or agreement to purchase all the equity share capital of the Parent;

**PAYE** means the regulations made under section 684 of ITEPA,

**Payment Event** means:

- (a) a Parent Share Sale; or
- (b) a Company Share Sale, or
- (c) an Asset Sale

**Personal Representatives** means in relation to an A Ordinary Shareholder, the personal representatives of the A Ordinary Shareholder (being the executors of his will to whom a valid grant of probate has been made or, if he dies intestate, the duly appointed administrator(s) of his estate or, in either case, the equivalent under applicable local law) who have produced to the Company evidence of their appointment as such;

**Plan** means Group's management incentive plan (which constitutes an employee share scheme for the purposes of section 1166 of the Act) as implemented through the issue of A Ordinary Shares having the rights and being subject to the restrictions as set out in the Articles,

**Proceeds** means the aggregate price or value of the consideration to be paid in cash or Cash Equivalent for all of the Parent Ordinary Shares to be sold or transferred in connection with a Parent Share Sale,

**Prospectus** means the prospectus to be issued by the Parent on or around 1 March 2017 relating to the admission of the Parent Ordinary Shares to the premium listing segment of the Official List and to trading on the London Stock Exchange's main market for listed securities becoming effective in accordance with, respectively, the Listing Rules and the Admission and Disclosure Standards;

**Relevant Percentage** means 15%;

**Relevant Securities:** any Shares, or any right to subscribe for or convert any securities into any Shares,

**Share Price** means either

- (a) in the event of a Parent Share Sale, the amount of the Proceeds divided by the number of Parent Ordinary Shares which are the subject of the Parent Share Sale, or
- (b) in all other circumstances, the average middle market price for a Parent Ordinary Share at the close of dealings on each of the dealing days over the period of 90 days prior to the day in question,

**Shares** means the A Ordinary Shares and the Ordinary Shares,

**Shareholders** means a holder of any Shares,

**Specified Percentage** means, in relation to an A Ordinary Shareholder, a percentage calculated by.

- (a) dividing the total number of A Ordinary Shares which are proposed to be sold or transferred by that A Ordinary Shareholder in accordance with the provisions of these Articles by the total number of A Ordinary Shares in issue from time to time, and
- (b) multiplying that figure by 100

**Subsidiary** means any company which is for the time being a subsidiary (as defined in section 1159 and Schedule 6 of the Companies Act 2006) of the Parent, and

**Taxation** means any form of tax, liability or charge in the nature of taxation (including, for the avoidance of doubt, national insurance contribution liabilities and similar or corresponding obligations) wherever and whenever payable, together with all fines, penalties, costs and interest included in or relating to any of the above or to any obligation in respect of any of the above

1.2 These Articles and the provisions of the Model Articles (subject to any modifications set out in these Articles) shall constitute all the articles of association of the Company.

1.3 In these Articles a reference to.

1 3 1 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the date of these Articles and any subordinate legislation made under the statutory provision before or after the date of these Articles;

1 3.2 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists), and

1 3.3 **these Articles** is to these articles of association (including the provisions of the Model Articles incorporated therein), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Act.

1 4 The contents table and headings in these Articles are for convenience only and do not affect their interpretation.

1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.

1.6 The Contracts (Rights of Third Parties) Act 1999 shall not apply to any rights under these Articles

## **2 SHARE CAPITAL**

2.1 The share capital of the Company is comprised of the Shares.

2.2 The A Ordinary Shares and the Ordinary Shares shall be separate classes of shares, subject to the rights set out in articles 3 to 5

## **3 SHARE RIGHTS (INCOME)**

3.1 Subject to the provisions of the Act and to article 3.4 below, the Company may by Ordinary Resolution, upon the recommendation of the Directors, declare a dividend.

3.2 Subject to article 3.4 below, every general meeting at which a dividend is declared shall, by Ordinary Resolution, direct that such dividend be paid in respect of one or more classes of shares to the exclusion of the other classes or in respect of all classes of shares

3.3 Subject to article 3.4 below, where a dividend is declared in respect of more than one class of Share the Company may, by Ordinary Resolution, differentiate between such classes as to the amount or percentage of dividend payable, but in default the Shares in each such class shall be deemed to rank *pari passu* in all respects as if they constituted one class of Share

3.4 No dividend shall be declared in respect of any class of Share in circumstances where the Directors recommend that no dividend should be declared nor shall any dividend be declared in respect of any class of Share which exceeds the amount recommended by the Directors in respect of that class No dividend shall be declared in respect of the A Ordinary Shares without Parent Consent.

3.5 When paying interim dividends the Directors may make payments to one or more classes of Shares to the exclusion of the other classes or to all classes of Shares. When making such payments the Directors may differentiate between the classes to which payments are being made as to the amount or percentage of dividend payable.

#### **4 SHARE RIGHTS (CAPITAL)**

On a return of assets (whether on liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be applied as follows

- 4.1 first, and to the extent not already paid pursuant to any other provision of these Articles, in paying to the A Ordinary Shareholders an amount equal to the A Ordinary Shareholder Entitlement (if any) in the proportion which each such A Ordinary Shareholder's holding of A Ordinary Shares bears to the aggregate number of A Ordinary Shares then in issue, and
- 4.2 thereafter, in paying to the Ordinary Shareholder the balance of such assets of the Company remaining after the payment of its liabilities and the payments referred to in article 4 1 and, if there is more than one Ordinary Shareholder, in the proportion which each such Ordinary Shareholder's holding of Ordinary Shares bears to the aggregate number of Ordinary Shares then in issue

#### **5 SHARE RIGHTS (VOTING)**

- 5 1 The A Ordinary Shares do not carry any voting rights
  - 5 2 Subject to any special rights or restrictions as to voting attached to any Share by, or in accordance with, these articles.
    - 5 2.1 on a show of hands at a general meeting every Ordinary Shareholder who (being an individual) is present in person or by one or more proxies or (being a corporation) is present by one of more duly authorised representatives or proxies, shall have one vote, and
    - 5 2 2 on a vote on:
      - 5 2.2 1 a resolution on a poll taken at a general meeting, or
      - 5 2 2 2 a written resolution,
- each Ordinary Shareholder shall have one vote for every Ordinary Share he holds.

#### **6 CALCULATION OF A ORDINARY SHAREHOLDER ENTITLEMENT**

- 6.1 Subject to the remaining provisions of this article 6, the A Ordinary Shareholder Entitlement shall, subject to adjustment in accordance with the

provisions of articles 6.2, 6.3 and 13.7, be calculated in accordance with the following formula:

**A Ordinary Shareholder Entitlement =**

$$(((A - B) \times C) \times D)$$

where

**A** is the amount of the Share Price as at the Calculation Date,

**B** is the Hurdle Amount;

**C** is 82,169,600, being the Admission Share Capital, and

**D** is the Relevant Percentage,

provided that:

- (a) if the Share Price as at the Calculation Date is less than or equal to the Hurdle Amount, the amount of the A Ordinary Shareholder Entitlement shall be £nil;
- (b) the aggregate value of any payment (whether settled in cash or by the issue of Parent Ordinary Shares) to be made in respect of the A Ordinary Shareholder Entitlement (when aggregated with the value of all other payments made in respect of the A Ordinary Shareholder Entitlement) shall under no circumstances exceed, where settled in Parent Ordinary Shares, such number of Parent Ordinary Shares as equates to 6.25% of the Admission Share Capital and, where settled in cash, an amount equal to the equivalent value of such Parent Ordinary Shares as at the Calculation Date (and, for this purpose, any reference to "value" shall be measured at each Calculation Date by reference to the Share Price);
- (c) if the Calculation Date is after the seventh anniversary of the Adoption Date, the amount of the A Ordinary Shareholder Entitlement shall be equal to the aggregate nominal value of all of the A Ordinary Shares held by the A Ordinary Shareholders.

- 6.2 On any occasion when the Company acquires any A Ordinary Shares and such A Ordinary Shares are cancelled in accordance with the provisions of article 13.5.2, the amount of the A Ordinary Shareholder Entitlement as referred to in article 6.1 shall (whenever required to be calculated for the purposes of these Articles) be reduced by multiplying the A Ordinary Shareholder Entitlement by A/B where A is the number of A Ordinary Shares

in issue following such cancellation and B is the number of A Ordinary Shares in issue prior to such cancellation.

6.3 In the event that:

- 6.3.1 the nominal value of the Parent Ordinary Shares is to be varied (whether by reason of subdivision, consolidation or some other reason),
- 6.3.2 there is a further issue of Parent Ordinary Shares following the Adoption Date;
- 6.3.3 there is any acquisition or disposal out of the Group of any company, special dividend, business or assets or new financing or refinancing arrangements;
- 6.3.4 other capital distributions are to occur within the Group; or
- 6.3.5 such other event occurs which, in the reasonable opinion of the Committee, shall have an adverse or favourable impact on the amount of the A Ordinary Shareholder Entitlement,

then the Company shall (acting with Parent Consent) make such adjustments (if any) to the constituent parts comprised in the formula for calculating the A Ordinary Shareholder Entitlement as may be necessary (on a just and reasonable basis) to ensure that the A Ordinary Shareholders are not inadvertently disadvantaged by, nor do they inadvertently benefit from, the occurrence of such events.

6.4 Following the occurrence of one or more of the events listed in article 6.3, the Company shall, as soon as practicable, give notice to the A Ordinary Shareholders setting out.

- 6.4.1 brief particulars of the event giving rise to the adjustment,
- 6.4.2 the adjustments proposed to be made to the constituent parts comprised in the formula for calculating the A Ordinary Shareholder Entitlement,
- 6.4.3 the date on which the adjustment is proposed to take effect; and
- 6.4.4 any other relevant particulars and information

The constituent parts comprised in the formula for calculating the A Ordinary Shareholder Entitlement shall thereupon be adjusted with effect from the date specified in such notice in the manner shown in such notice. In the



absence of manifest error, the adjustments as specified in such notice shall be conclusive and binding on all concerned.

- 6.5 For the avoidance of doubt, in calculating the A Ordinary Shareholder Entitlement pursuant to the provisions of this article 6, no account shall be taken of whether the A Ordinary Shares represent a minority interest in the Company

## **7 SATISFACTION OF THE A ORDINARY SHAREHOLDER ENTITLEMENT**

- 7.1 The form of settlement of the A Ordinary Shareholder Entitlement will either be cash or Parent Ordinary Shares (or a combination of both) and shall be determined by the Company (with Parent Consent) in its absolute discretion
- 7.2 If the Company (with Parent Consent) decides to settle all or part of the A Ordinary Shareholder Entitlement in Parent Ordinary Shares, the Parent Ordinary Shares transferred or issued to the A Ordinary Shareholders shall have a value equal to the A Ordinary Shareholder's Specified Percentage of the A Ordinary Shareholder Entitlement at a price per share equal to the average middle market price for the 90 day period immediately preceding the Calculation Date
- 7.3 On any date, the aggregate nominal amount of new Parent Ordinary Shares issued in settlement of the A Ordinary Shareholder Entitlement may not, when added to the nominal amount of new Parent Ordinary Shares allocated in the previous 10 years under all employee share schemes of the Group (excluding awards made prior to listing), exceed 10% of the equity share capital of the Parent. In the event that settlement of the A Ordinary Shareholder Entitlement in new Parent Ordinary Shares is restricted by virtue of this article 7.3, the balance of the A Ordinary Shareholder Entitlement shall, for the avoidance of doubt, be settled in cash.
- 7.4 For the purposes of this article 7 references to rights to subscribe for Parent Ordinary Shares shall, if so required in accordance with guidance issued by the Investment Association, be taken to include references to rights to acquire Parent Ordinary Shares issued or to be issued out of treasury
- 7.5 For the avoidance of doubt, if Parent Ordinary Shares issued to the trustee of any employees' trust established by the Parent have been counted for the purpose of this article 7, they shall not also be counted when they are used to satisfy the A Ordinary Shareholder Entitlement (or a right granted under any other employee's shares scheme of the Parent).
- 7.6 Half the number of any Parent Ordinary Shares issued to, or acquired by, an A Ordinary Shareholder pursuant to the provisions of these Articles will be

subject to lock in arrangement, which shall, subject to certain exceptions, restrict the A Ordinary Shareholder from being able to dispose of such Parent Ordinary Shares prior to the fourth anniversary of the Adoption Date

- 7 7 If the A Ordinary Shareholder Entitlement is settled in the form of Parent Ordinary Shares, A Ordinary Shareholders will not be entitled to any rights attached to such Parent Ordinary Shares before the date on which the A Ordinary Shareholder Entitlement is settled. After the date on which the A Ordinary Shareholder Entitlement is settled, A Ordinary Shareholders to whom Parent Ordinary Shares have been transferred / issued in lieu of the A Ordinary Shareholder Entitlement shall be entitled to all rights attached to Parent Ordinary Shares, including dividends and other distributable payments

## **8 TAXATION**

As a condition of the acquisition of any Shares by an Employee Shareholder.

- 8.1 the Employee Shareholder shall complete such tax elections (in accordance with section 431 of ITEPA or otherwise) as the Company (with Parent Consent) shall (in its sole discretion) require to ensure that:

8.1 1 the Employee Shareholder will be liable to pay income tax on the excess (if any) of the full unrestricted market value of the relevant Shares at the point of acquisition over the aggregate price paid (if any) for such Shares; and

8.1 2 there will be no residual income tax or national insurance contributions to be paid under the provisions of Chapter 2, part 7, of ITEPA when any inherent restrictions on such Shares are lifted and/or when such Shares are sold;

- 8 2 the Employee Shareholder shall indemnify each member of the Group against the amount of Taxation (but excluding, unless the Company (with Parent Consent) otherwise determines (and such indemnification is lawfully permitted), any employer's national insurance contribution liabilities) for which any member of the Group is liable in respect of that Employee Shareholder's acquisition, retention and/or disposal of Shares

## **9 ISSUE OF SHARES**

- 9 1 Save to the extent authorised by these Articles, or as authorised from time to time by an ordinary resolution of the Shareholders, the Directors shall not exercise any power to allot Relevant Securities.

- 9.2 Subject to the provisions of this article 9, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act and generally to exercise any power of the Company to allot Relevant Securities. The authority granted under this article 9.2 shall.
- 9.2.1 be limited to a maximum amount in nominal value of £110 (including all Shares in issue from time to time), divided into
- 9.2.1.1 100 Ordinary Shares of £1.00 each, and
- 9.2.1.2 100 A Ordinary Shares of £0.10 each,
- 9.2.2 only apply in so far as it is not renewed, waived or revoked by ordinary resolution of the Members, and
- 9.2.3 expire on the day immediately preceding the fifth anniversary of the Adoption Date, provided that the Directors may allot Relevant Securities after the expiry of such period in pursuance of an offer or agreement to do so made by the Company within such period
- 9.3 Unless otherwise determined by special resolution of the Company or in the case of any allotment of A Ordinary Shares, any Relevant Securities which the Directors propose to allot, grant or otherwise dispose of shall, before they are so allotted, granted or otherwise disposed of, be offered to the Members holding Ordinary Shares. Such offer shall be made by means of a notice (a **Subscription Notice**) served by the Directors on all Members holding Ordinary Shares which shall.
- 9.3.1 state the number of Relevant Securities offered;
- 9.3.2 state the subscription price per Relevant Security, which shall be determined by the Directors,
- 9.3.3 invite the relevant offerees to respond in writing to the Company stating the number of Relevant Securities for which they wish to subscribe; and
- 9.3.4 expire, and the offer made therein to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified therein, being not less than ten (10) nor more than twenty (20) Business Days after the date of the Subscription Notice
- 9.4 After the expiry of the period referred to in the Subscription Notice or, if sooner, upon all Members holding Ordinary Shares having responded to the Subscription Notice (in either case, the **Subscription Allocation Date**), the

Directors shall allocate the Relevant Securities in accordance with the applications received provided that:

9.4.1 if there are applications for more than the number of Relevant Securities available, the Relevant Securities shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Relevant Securities than he applied for) to the number of Ordinary Shares held by each of them respectively; and

9.4.2 the allocation of any fractional entitlements to Relevant Securities amongst the Members shall be dealt with by the Directors in such manner as they see fit

9.5 Within five (5) Business Days of the Subscription Allocation Date the Directors shall give notice in writing (a **Subscription Allocation Notice**) to each Member to whom Relevant Securities have been allocated pursuant to article 9.4 (each a **Subscriber**). A Subscription Allocation Notice shall state

9.5.1 the number of Relevant Securities allocated to that Subscriber,

9.5.2 the aggregate subscription price payable by the Subscriber in respect of the Relevant Securities allocated to him; and

9.5.3 the place, date and time (being not less than two (2) nor more than five (5) Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the Relevant Securities shall take place.

9.6 Completion of a subscription for Relevant Securities pursuant to a Subscription Allocation Notice shall take place at the place, date and time specified in the Subscription Allocation Notice when the Subscriber will pay the relevant subscription monies to the Company in cleared funds and the Company will allot or grant the Relevant Securities to that Subscriber and deliver to that Subscriber a duly executed share certificate or certificate of grant (as the case may be) in respect thereof. If a Subscriber shall fail for any reason to pay the relevant subscription monies in respect of any Relevant Securities to the Company in cleared funds by the date specified in the Subscription Allocation Notice he shall be deemed to have declined the offer made to him in respect of those Relevant Securities which shall immediately be deemed to be released from the provisions of articles 9.3 to 9.5

9.7 Any Relevant Securities which are not accepted pursuant to articles 9.3 to 9.5, and any Relevant Securities released from the provisions of those

articles either by virtue of a Subscriber's default in accordance with article 9.6 or by virtue of a special resolution of the Company, may be offered by the Directors to any person and such Relevant Securities shall, subject to the provisions of the Act, be at the disposal of the Directors who may allot, grant or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think fit in their absolute discretion, provided that:

9.7.1 no Share shall be issued at a discount,

9.7.2 no Relevant Securities shall be allotted, granted or otherwise disposed of on terms which are more favourable than those on which they were offered to the Members pursuant to article 9.3, and

9.7.3 no Relevant Securities shall be allotted, granted or otherwise disposed of more than three (3) months after the date of the relevant Subscription Notice in respect thereof (or, in the case of Relevant Securities released from the provisions of articles 9.3 to 9.5 by virtue of a special resolution, the date of that special resolution) unless the procedure in articles 9.3 to 9.5 is repeated in relation to that Relevant Security.

9.8 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.

## **10 TRANSFER OF SHARES – GENERAL**

10.1 Notwithstanding anything else contained in these Articles, no Share or interest in any Share shall be transferred (whether directly or indirectly) if any such Share is partly paid.

10.2 Except where expressly permitted by these Articles, no A Ordinary Shareholder is permitted to transfer (whether directly or indirectly) any of his holding of A Ordinary Shares or any interest therein without the prior written consent of the Company (with Parent Consent).

10.3 Disposals of Shares by the Ordinary Shareholder shall be permissible at any time, except as otherwise may be restricted by operation of law or regulation

10.4 Where transfer is permitted pursuant to these Articles, Shares may be transferred by means of an instrument of transfer in any usual form, or any form approved by the Directors, which is executed by or on behalf of the

transferor, and the Company may retain any instrument of transfer which is registered

- 10 5 The Directors may refuse to register the transfer of a Share and, if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal, together with reasons for such refusal, as soon as reasonably practicable
- 10 6 The transferor shall remain the holder of a Share until the transferee's name is entered in the register of members as holder of it
- 10 7 Save with the prior written consent of the Company (with Parent Consent), no Shareholder shall create any Encumbrance over his Shares.

## 11 TAG ALONG

- 11 1 The provisions of articles 11.2 to 11 7 inclusive shall apply if, in one or a series of related transactions, the Ordinary Shareholder proposed to transfer (**Proposed Transfer**) any of its Shares (**Transfer Shares**) which would, if carried out, result in any person (**Buyer**), and any person acting in concert with the Buyer, acquiring Control of the Company, save that the provisions of articles 11 2 to 11 7 shall have no application to a disposal by the Ordinary Shareholder to any Associated Company.
- 11 2 In the event that a Buyer makes an offer to acquire Control of the Company, the Ordinary Shareholder shall, if it proposes to accept such offer, procure that the Buyer makes an offer (**Offer**) to each of the remaining Shareholders (**Minority Shareholders**) to purchase all of their Shares for a consideration equal to the A Ordinary Shareholder Entitlement (**Specified Price**) (where the Calculation Date for this purpose shall be the date of the Offer Notice (as defined in article 11 3)).
- 11.3 The Offer shall be given by written notice delivered to each Minority Shareholder and the Company (**Offer Notice**), at least 10 Business Days (**Offer Period**) before the proposed sale date (**Sale Date**). To the extent not described in any accompanying documents, the Offer Notice shall set out
  - 11.3.1 the identity of the Buyer,
  - 11.3.2 the Specified Price and other terms and conditions of payment,
  - 11 3.3 the Sale Date; and
  - 11 3.4 the number of Shares held by the Minority Shareholders (**Minority Offer Shares**)

- 11.4 If the Buyer fails to make the Offer to all holders of the Shares in the Company in accordance with articles 11.2 and 11.3, the Ordinary Shareholder shall not be entitled to complete the Proposed Transfer and the Company shall not register any transfer of Shares affected in accordance with the Proposed Transfer.
- 11.5 If the Offer is accepted by any Minority Shareholders (**Accepting Minority Shareholder**) within the Offer Period (and such acceptance shall be irrevocable), the completion of the Proposed Transfer shall be conditional on completion of the purchase of all the Minority Offer Shares held by the Accepting Minority Shareholders.
- 11.6 If any Accepting Minority Shareholder does not, on the Sale Date, execute transfer(s) in respect of all of the Minority Offer Shares held by it, the defaulting Minority Shareholder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Ordinary Shareholder to be his agent and attorney to execute all necessary transfer(s) on his behalf, including executing any of those documents and doing any of those things as set out in article 11.7, against receipt by the Company (to be held on trust for such holder) of the consideration payable for the Minority Offer Shares, to deliver such transfer(s) to the Buyer (or as they may direct) as the holder thereof. After the Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 11.
- 11.7 Each Accepting Minority Shareholder shall.
- 11.7.1 subject to the terms of any agreement between the Ordinary Shareholder and the Buyer, grant such representations, warranties and indemnities as the Ordinary Shareholder (acting reasonably) considers necessary to be given by such Minority Shareholder; and
- 11.7.2 deliver title to their Shares subject to the Proposed Transfer free from all Encumbrances

## 12 DRAG ALONG

- 12.1 If, in one or a series of related transactions, the Ordinary Shareholder wishes to transfer some or all of its interest in its Shares to a bona fide arm's length purchaser (**Drag Buyer**) and such transfer would, if carried out, result in that person, and any person acting in concert with the Drag Buyer, acquiring Control of the Company, the Ordinary Shareholder may require all other Shareholders (**Called Shareholders**) to sell and transfer all of their

Shares (irrespective of any particular class of Share held by the Called Shareholder) to the Drag Buyer (or to the Drag Buyer's nominee) in accordance with the provisions of this article 12 (**Drag Along Option**)

12.2 The Ordinary Shareholder may exercise the Drag Along Option by giving written notice to that effect (**Drag Along Notice**) at any time before completion of the transfer of the Ordinary Shareholder's Shares to the Called Shareholders and the Company. The Drag Along Notice shall specify:

12.2.1 that the Called Shareholders are required to transfer all of their Shares (**Called Shares**) pursuant to this article 12,

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

12.2.3 the consideration payable for the Called Shares which shall be calculated in accordance with the A Ordinary Shareholder Entitlement (where the Calculation Date for this purpose shall be the date of the Drag Along Notice), and

12.2.4 the proposed date of the transfer.

12.3 Once issued, a Drag Along Notice shall be irrevocable. However, a Drag Along Notice shall lapse if, for any reason, the Ordinary Shareholder has not sold its Shares (or some as the case may be) to the Drag Buyer within 20 Business Days after the later to occur of (i) the date upon which any required regulatory authority or consent has been obtained and (ii) the service of the Drag Along Notice. The Ordinary Shareholder may serve further Drag Along Notices following the lapse of any particular Drag Along Notice and the provisions of this article 12 shall apply to any further Drag Along Notice.

12.4 No Drag Along Notice shall require a Called Shareholder to agree to any terms except those specifically set out in this article 12.

12.5 Completion of the sale of the Called Shares shall take place on the Completion Date (as defined below). Completion Date means the date proposed for completion of the sale of the Ordinary Shareholder's Shares unless.

12.5.1 all of the Called Shareholders and the Ordinary Shareholder agree otherwise in which case the Completion Date shall be the date agreed in writing by all of the Called Shareholders and the Ordinary Shareholder; or



- 12.5.2 that date is less than 20 Business Days after the date on which the Drag Along Notice is served, in which case the Completion Date shall be 20 Business Days after service of the Drag Along Notice
- 12.6 Within 20 Business Days of the Ordinary Shareholder serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for the Called Shares, together with the relevant share certificates (or a suitable indemnity for any lost share certificates) to the Company. On the Completion Date, the Company shall pay to the Called Shareholders, on behalf of the Drag Buyer, the amounts they are due for their Shares pursuant to article 12.2.3 to the extent that the Drag Buyer has put the Company in the requisite funds. The Company's receipt of such funds shall be a good discharge to the Drag Buyer. The Company shall hold the amounts due to the Called Shareholders pursuant to article 12.2.3 on trust for the Called Shareholders without any obligation to pay interest
- 12.7 To the extent that the Drag Buyer has not, on the Completion Date, put the Company in funds to pay the consideration due pursuant to article 12.2.3, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificates (or suitable indemnity) for the relevant Called Shares and the Called Shareholders shall have no further rights or obligations under this article 12 in respect of their Shares
- 12.8 If any Called Shareholder does not, on completion of the sale of the Called Shares, execute transfer(s) in respect of all of the Called Shares held by it, the defaulting Called Shareholder shall be deemed to have irrevocably appointed any person nominated for this purpose by the Ordinary Shareholder to be his agent and attorney to execute all necessary transfer(s) on his behalf, including executing any of those documents and doing any of those things as set out in article 12.9, against receipt by the Company (on trust for such holder) of the consideration payable for the Called Shares, to deliver such transfer(s) to the Drag Buyer (or as they may direct) as the holder thereof. After the Drag Buyer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. Failure to produce a share certificate shall not impede the registration of Shares under this article 12.
- 12.9 Each Called Shareholder shall:
- 12.9.1 subject to the terms of any agreement between the Ordinary Shareholder and the Drag Buyer, grant such representations, warranties and indemnities as the Ordinary Shareholder (acting

reasonably) considers necessary to be given by such Called Shareholder, and

12 9 2 deliver title to their Shares subject to the Drag Along Option free from all Encumbrances.

### 13 LEAVERS AND COMPULSORY TRANSFERS

13 1 If

13 1 1 an A Ordinary Shareholder ceases to be an Eligible Employee, or

13.1 2 an A Ordinary Shareholder is adjudicated bankrupt or an interim order is made because he intends to propose a voluntary arrangement to his creditors under the Insolvency Act 1986, or

13.1.3 an A Ordinary Shareholder makes or proposes any other plan or arrangement, in relation to his debts, with his creditors or any section of them; or

13 1 4 an A Ordinary Shareholder purports to transfer, assign, mortgage, charge or otherwise dispose of his Shares in contravention of these Articles; or

13.1.5 an A Ordinary Shareholder is otherwise deprived of the legal and beneficial ownership of the Shares whether by operation of law or by doing or omitting to do anything which causes him to be so deprived; or

13.1.6 an A Ordinary Shareholder has committed an act of gross misconduct,

(in each case such A Ordinary Shareholder being a **Leaver**), he shall immediately give the Company notice in writing detailing the relevant circumstances.

13 2 Any Leaver shall, if the Company (with Parent Consent) so directs within 20 Business Days of the Leaver giving notice to the Company in accordance with article 13 1 or otherwise within 20 Business Days of the Company (or the Committee as the case may be) becoming aware that an A Ordinary Shareholder has become a Leaver, be deemed to have served a notice (**Leaver Notice**) on the Leaving Date appointing the Company as his agent with the power to sell all of the Leaver's Shares (with all rights attaching to them) in accordance with the provisions of these Articles at a sale price (**Compulsory Transfer Price**) equal to the lower of:

- 13.2.1 the nominal value paid up or deemed to be paid up on each of the Leaver's Shares, or
  - 13.2.2 the Leaver's A Ordinary Shareholder Entitlement (where the Calculation Date for this purpose shall be the Leaving Date)
- 13.3 The Company may allocate the Leaver's Shares to such person or persons as the Directors (acting with Parent Consent) in their absolute discretion determine (each an **Allocated Person**). For the avoidance of doubt, the Company may be an Allocated Person.
- 13.4 On completion of the sale of the Leaver's Shares (which shall take place at a time and in a manner determined by the Directors acting with Parent Consent) (**Completion**)
  - 13.4.1 each Allocated Person (other than the Company) shall pay the Compulsory Transfer Price:
    - 13.4.1.1 to the Leaver, or
    - 13.4.1.2 if the Leaver is not present at Completion, to the Company to be held on trust (without interest) for the Leaver (and the receipt of the Company for the Compulsory Transfer Price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));
  - 13.4.2 if the Company is an Allocated Person, it shall:
    - 13.4.2.1 pay the Compulsory Transfer Price to the Leaver, or
    - 13.4.2.2 if the Leaver is not present at Completion, hold the Compulsory Transfer Price on trust (without interest) for the Leaver; and
  - 13.4.3 the Leaver shall transfer the relevant Leaver's Shares to the relevant Allocated Person and deliver to the Company the relevant share certificates in respect of the Leaver's Shares or an indemnity (in a form satisfactory to the Directors) for any lost share certificate
- 13.5 If the Leaver defaults in transferring any Leaver's Shares to an Allocated Person pursuant to article 13.4.3 the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Leaver to execute a transfer in respect of those Leaver's Shares in the name, and on behalf, of the Leaver (and to do such other things as are necessary to

transfer the relevant Leaver's Shares pursuant to this article 13) and when that transfer has been duly stamped (if stamping is required)

13.5.1 where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the holder of those Leaver's Shares; or

13.5.2 where the Allocated Person is the Company, the Company shall cause those Leaver's Shares to be cancelled in accordance with the Act,

and after that, the validity of the proceedings shall not be questioned by any person

13.6 Any money held on trust by the Company for the Leaver in respect of any Leaver's Shares shall only be released to the Leaver on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Leaver's Shares that have been transferred to Allocated Persons

13.7 In the event that no Leaver Notice is deemed to be served in respect of a Good Leaver and, as such, the Good Leaver retains his holding of A Ordinary Shares pending the occurrence of a Payment Event or the exercise of the Put Option or the Call Option in accordance with the provisions of articles 14 or 15, the A Ordinary Shareholder Entitlement payable to such Good Leaver shall be reduced pro rata to reflect the proportion which the period from:

13.7.1 the Leaving Date to the earlier of (i) a Payment Event or (ii) the exercise (or deemed exercise) of the Put Option or the Call Option in accordance with the provisions of articles 14 or 15,

bears to

13.7.2 the period from the Adoption Date to the earlier of (i) a Payment Event or (ii) the exercise (or deemed exercise) of the Put Option or the Call Option in accordance with the provisions of articles 14 or 15

13.8 Articles 27(2)(a) and 28 of the Model Articles shall not apply to the Company.

## 14 PUT OPTION

14.1 At any time following the Adoption Date, each A Ordinary Shareholder shall be entitled to serve notice in writing (the **Put Notice**) on the Ordinary

Shareholder of his election to exercise his right to sell some or all of the A Ordinary Shares held by him at the relevant date on the terms and subject to the conditions set out in this article 14.

14.2 Upon receipt by the Ordinary Shareholder of a Put Notice served in accordance with articles 14.1 (the **Original Put Notice**), the Company shall immediately notify each other A Ordinary Shareholder (the **Employee Shareholder Put Notice**) that an Original Put Notice has been served and each other Employee Shareholder shall have 20 Business Days from the date of service of such Employee Shareholder Put Notice within which to serve their own Put Notice (each a **Follow On Put Notice**) in respect of such proportion of their respective A Ordinary Shares as the number of A Ordinary Shares subject to the Original Put Notice bears to the total number of A Ordinary Shares held by the A Ordinary Shareholder who served the Original Put Notice. The form of any Original Put Notice or Follow On Put Notice shall be prescribed by the Directors (with Parent Consent) from time to time and shall not be revocable (save with Parent Consent) once served.

14.3 Following the passing of 20 Business Days from receipt by the Ordinary Shareholder of the Original Put Notice, the Ordinary Shareholder shall.

14.3.1 confirm the receipt of the Original Put Notice and any Follow On Put Notices received in accordance with article 14.2;

14.3.2 determine the aggregate purchase price payable to each A Ordinary Shareholder for the A Ordinary Shares to be sold (the **Put Price**) being an amount equal to the relevant A Ordinary Shareholder's Specified Percentage of the A Ordinary Shareholder Entitlement (where the Calculation Date for this purpose shall be the date of the Original Put Notice),

14.3.3 determine the manner in which the Put Price shall be satisfied (which shall be determined in accordance with the provisions of article 7),

14.3.4 determine whether the A Ordinary Shares the subject of the Put Notice will be acquired by the Ordinary Shareholder, the Company, the Parent or some other nominated entity (**Nominated Put Buyer**); and

14.3.5 by written notice to the persons exercising the Original Put Notice and any Follow On Put Notice, delivered no later than 30 Business Days after receipt of the Original Put Notice, deliver a notice (the **Put Price Notice**) confirming the Put Price, the manner in which

the Put Price shall be satisfied and the identity of the Nominated Put Buyer.

- 14.4 Completion of the sale of the relevant A Ordinary Shares pursuant to the service of the Original Put Notice and any Follow On Put Notice shall take place at the Ordinary Shareholder's registered office on the date specified in the Put Price Notice, which shall be no later than 15 Business Days after the date of service of the Put Price Notice (**Put Completion**).
- 14.5 Where the Nominated Put Buyer has elected that the consideration for purchase of the A Ordinary Shares pursuant to this article 14 shall be cash, the Put Price shall be paid by electronic transfer of funds on, or as soon as reasonably practicable following Put Completion and receipt by the Nominated Put Buyer of a duly executed instrument(s) of transfer(s) together with the relevant share certificate(s) or indemnities where such certificates have been lost or destroyed, together with such other necessary and appropriate transfer documentation as the Nominated Put Buyer may require (in a form prescribed by the Nominated Put Buyer)
- 14.6 Where the Nominated Put Buyer has elected that the consideration for the purchase of A Ordinary Shares pursuant to this article 14 shall be Parent Ordinary Shares, the Ordinary Shareholder shall (subject always to article 14.8) on, or as soon as reasonably practicable following Put Completion, procure the issue or transfer to the A Ordinary Shareholder (or his nominee) of the number of Parent Ordinary Shares in respect of which the consideration is due, provided that the Parent Directors or the Committee (as the case may be) is satisfied that any Taxation due to be reimbursed or paid to any Group Company has been so reimbursed or paid or, where relevant, appropriate arrangements have been made to the satisfaction of the Parent for such reimbursement or payment
- 14.7 The Nominated Put Buyer or its authorised representative shall be entitled to make, or otherwise procure, all necessary and appropriate notations in the statutory registers of the Company to reflect the sale of all of the A Ordinary Shares pursuant to this article 14
- 14.8 The issue or transfer of Parent Ordinary Shares pursuant to this article 14 shall be subject to the Parent being lawfully able to issue or transfer such ordinary shares, any approval or consent required by Parent shareholders at such time or by the United Kingdom Listing Authority (or other relevant authority) and any code adopted by the Parent and based on the "Model Code" on directors' dealings in securities or any applicable laws or regulations (whether in the UK or overseas) (the **Restrictions**). To the extent that the Parent is prohibited by operation of the Restrictions to issue

or transfer such ordinary shares then any obligation imposed by the articles on the Nominated Put Buyer or on any other Group Company to issue, transfer, or procure the issue or transfer of shares, shall not apply unless and until the Restrictions cease to apply

14.9 A Put Notice may not be served:

14.9.1 if a Drag Along Notice or an Offer Notice in respect of Tag Along rights is outstanding; or

14.9.2 if a Call Notice is outstanding; or

14.9.3 if the A Ordinary Shareholder is a Bad Leaver.

14.10 In the event that an A Ordinary Shareholder becomes a Bad Leaver prior to the payment of consideration due in respect of a Put Price Notice which has been served by or on behalf of that A Ordinary Shareholder, the Ordinary Shareholder shall have the right, but not the obligation, to revoke any such outstanding Put Price Notice and for the Company to exercise its rights under article 13

15 **CALL OPTION**

15.1 Following the occurrence of the first Payment Event following the Adoption Date or, if no Payment Event has occurred, at any time following the third anniversary of the Adoption Date, the Ordinary Shareholder shall be entitled to serve notice in writing (the **Call Notice**) on any A Ordinary Shareholder of its election to exercise its right to buy some or all of the A Ordinary Shares held by the A Ordinary Shareholder on the terms and subject to the conditions set out in this article 15

15.2 The Call Notice served by the Ordinary Shareholder pursuant to article 15.1 (in a form as may be determined by the Ordinary Shareholder from time to time and which shall not be revocable once served) shall specify:

15.2.1 the aggregate purchase price payable to each of the A Ordinary Shareholders for the A Ordinary Shares to be sold (the **Call Price**) being an amount equal to the relevant A Ordinary Shareholder's Specified Percentage of the A Ordinary Shareholder Entitlement (where the Calculation Date for this purpose shall be the date of the Call Notice);

15.2.2 the identity of the proposed purchaser of the A Ordinary Shares the subject of the Call Notice (which, at the discretion and direction of the Directors (with Parent Consent), may be the

Ordinary Shareholder, the Company, the Parent or some other entity) (**Nominated Call Buyer**); and

15.2 3 the manner in which the Call Price shall be satisfied (which shall be determined in accordance with the provisions of article 7).

15.3 Completion of the relevant purchase of A Ordinary Shares shall take place (**Call Completion**) no later than 15 Business Days after the date of service of the Call Notice and shall take place at the Ordinary Shareholder's registered office.

15.4 Where the consideration for purchase of the A Ordinary Shares pursuant to this article 15 is cash, the Call Price shall be paid by electronic transfer of funds on, or as soon as reasonably practicable following Call Completion and receipt by the Nominated Call Buyer of a duly executed instrument(s) of transfer(s) together with the relevant share certificate(s) or indemnities where such certificates have been lost or destroyed, together with such other necessary and appropriate transfer documentation as the Nominated Call Buyer may require (in a form prescribed by the Nominated Call Buyer).

15 5 Where the consideration for the purchase of A Ordinary Shares pursuant to this article 15 is Parent Ordinary Shares, the Nominated Call Buyer shall (subject always to article 15.7) on, or as soon as reasonably practicable following Call Completion, procure the issue or transfer to the A Ordinary Shareholder (or his nominee) of the number of Parent Ordinary Shares in respect of which the consideration is due, provided that the Parent is satisfied that any Taxation due to be reimbursed or paid to any Group Company has been so reimbursed or paid or, where relevant, appropriate arrangements have been made to the satisfaction of the Parent for such reimbursement or payment.

15 6 The Nominated Call Buyer or its authorised representative shall be entitled to make, or otherwise procure, all necessary and appropriate notations in the statutory registers of the Company to reflect the sale of all of the A Ordinary Shares pursuant to this article 15

15 7 The issue or transfer of ordinary shares in the Parent pursuant to this article 15 shall be subject to obtaining any approval or consent required pursuant to the Restrictions To the extent that the Parent is prohibited by operation of the Restrictions to issue or transfer such ordinary shares then any obligation imposed by the articles on the Nominated Call Buyer or on any other Group Company to issue, transfer, or procure the issue or transfer of shares, shall not apply unless and until the Restrictions cease to apply.

15 8 A Call Notice may not be given if



15.8.1 a Drag Along Notice or an Offer Notice in respect of Tag Along rights is outstanding, or

15.8.2 a Put Notice is outstanding.

15.9 In the event that an A Ordinary Shareholder becomes a Bad Leaver prior to the payment of any consideration due in respect of a Call Notice which has been served by or on behalf of the Ordinary Shareholder, the Ordinary Shareholder shall have the right, but not the obligation, to revoke any such outstanding Call Notice and for the Company to exercise its rights under article 13.

15.10 For the avoidance of doubt, any payment made to an A Ordinary Shareholder on the occurrence of a Payment Event or otherwise pursuant to the provisions of article 14 or this article 15 shall not entitle the A Ordinary Shareholder to any further or additional payment pursuant to the provisions of article 4.1.

## 16 GENERAL MEETINGS

16.1 No business shall be transacted at any general meeting unless the requisite quorum is present at the commencement of the business and also when such business is voted upon. One Ordinary Shareholder present either in person, by proxy or by a duly appointed corporate representative shall be a quorum.

16.2 Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article. "If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the Member(s) present (either in person, by proxy or by a duly appointed corporate representative) shall constitute a quorum".

16.3 Article 39 of the Model Articles shall not apply to the Company.

16.4 A poll may be demanded at any general meeting by:

16.4.1 the chairman, or

16.4.2 by any Member present (in person, by proxy or by a duly appointed corporate representative) and entitled to vote on the relevant resolution.

Article 44(2) of the Model Articles shall not apply to the Company.

16.5 Article 44(3) of the Model Articles shall be amended by the insertion of the following as a new paragraph at the end of that article: "A demand so

withdrawn shall not invalidate the result of a show of hands declared before the demand was made."

16.6 Article 45(1) of the Model Articles shall be amended as follows.

16.6.1 by the deletion of the words in Article 45(1)(d) and the substitution therefor of the following. "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 exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate "; and

16.6.2 by the insertion of the following as a new paragraph at the end of Article 45(1): "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting ".

16.7 The Company shall not be required to give notice of a general meeting to a Member for whom the Company no longer has a valid United Kingdom address

## **17 PROCEEDINGS OF DIRECTORS**

17.1 Save where the Company has a sole Director, two Eligible Directors, present either in person or by a duly appointed alternate, shall be a quorum. For the purpose of any meeting held to authorise a director's conflict of interest under article 19 if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting shall be one Eligible Director. Article 11(2) of the Model Articles shall not apply to the Company.

17.2 If the number of votes for and against a proposal at a Directors' meeting are equal the chairman shall have a casting vote, provided that the chairman shall not have a casting vote if he is not an Eligible Director for the purposes of the relevant directors' decision. Article 13 of the Model Articles shall not apply to the Company

## **18 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY**

18.1 Subject to sections 177 and 182 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:

- 18.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
- 18.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such contract or proposed contract in which he is interested,
- 18.1.3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision of the Directors, in respect of such contract or proposed contract in which he is interested,
- 18.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
- 18.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
- 18.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

18.2 Articles 14(1) to 14(4) of the Model Articles shall not apply to the Company.

## 19 DIRECTORS' CONFLICTS OF INTEREST

- 19.1 The Directors may, in accordance with the requirements set out in this article 19, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director breaching his duty under section 175 of the Act to avoid conflicts of interest (a **Conflict**).
- 19.2 Any authorisation under this article will be effective only if:
  - 19.2.1 the matter in question shall have 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;

19.2.2 any requirement as to the quorum at the meeting of the Directors at which the matter is considered is met without counting the Director in question, and

19.2.3 the matter was agreed to without the Director in question voting or would have been agreed to if his vote had not been counted.

19.3 Any authorisation of a Conflict under this article 19 may (whether at the time of giving the authorisation or subsequently):

19.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised,

19.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and

19.3.3 be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation

19.4 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:

19.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or

19.4.2 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

19.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director

19.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;

- 19.5.2 is not given any documents or other information relating to the Conflict; and
- 19.5.3 may or may not vote (or may or may not be counted in the quorum) at any future meeting of Directors in relation to any resolution relating to the Conflict
- 19.6 Where the Directors authorise a Conflict.
  - 19.6.1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict, and
  - 19.6.2 the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Act provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of its authorisation
- 19.7 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.

## 20 INDEMNITY

- 20.1 Subject to article 20.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled.
    - 20.1.1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer
      - 20.1.1.1 in the actual or purported execution and/or discharge of his duties, or in relation to them, and
      - 20.1.1.2 in relation to the activities of the Company (or any associated company) as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),
- including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise

disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any associated company), and

20.1.2 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 20 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

20.2 This article 20 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law

20.3 In this article 20 and in article 21.

20 3 1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

20.3 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 any 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)

20 4 Article 52 of the Model Articles shall not apply to the Company

## 21 **INSURANCE**

21 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 loss or liability which has been or may be incurred by that relevant officer in connection with his 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.

21 2 Article 53 of the Model Articles shall not apply to the Company.

## 22 AMENDMENTS TO THESE ARTICLES

- 22 1 Each of the Company, the Ordinary Shareholder and the A Ordinary Shareholders acknowledge and agree that the Committee is responsible for setting the overall policy and principles relating to the operation of the Plan. Accordingly, the Committee may from time to time make and vary such rules and regulations as govern the terms of the Plan (including the provisions of these Articles) as long as the changes are not materially inconsistent with the aims, intentions and rules of the Plan and, in such circumstances (but subject always to the remaining provisions of this article 22), upon request from the Committee, the Company, the Ordinary Shareholder and the A Ordinary Shareholders shall take all such action (including approving any necessary amendments to these Articles) as the Committee may request to implement such rules and regulations or to make and implement changes thereto.
- 22 2 No alteration shall be made to the rules and regulations as govern the terms of the Plan (including the provisions of the Articles) which would materially increase the liability of any A Ordinary Shareholder or which would materially decrease the value of any A Ordinary Shareholder's subsisting rights attached to any A Ordinary Shares without first obtaining the consent of a Majority of the A Ordinary Shareholders, such consent to be obtained either.
- 22.2.1 in such written form as to be determined by the Committee; or
- 22.2 2 as a resolution of a meeting of the A Ordinary Shareholders in which each A Ordinary Shareholder may vote in person or by proxy
- 22 3 Subject to the provisions of articles 22.1, 22 2 and 22 4, the Committee may alter or amend any of the provisions of the Plan (including any provisions of the Articles) in any respect provided that no such alteration or amendment shall be made to the advantage of existing or new A Ordinary Shareholders to the provisions relating to eligibility to participate in the Plan or hold A Ordinary Shares, the individual and overall limitations on the A Ordinary Shareholder Entitlement and the basis for determining an A Ordinary Shareholder's right to acquire Parent Ordinary Shares and the adjustment of such rights in the event of a variation of the Parent Ordinary Share capital or this article 22.3 without the prior approval by ordinary resolution of the shareholders of the Parent save that the provisions of this article 22.3 shall not apply to the extent that such alteration or amendment is, in the opinion of the Parent Directors, a minor amendment which is necessary or appropriate

- 22.3.1 to benefit the administration of the Plan,
  - 22.3.2 to take account of any change in legislation, or
  - 22.3.3 to obtain or maintain favourable tax, exchange control or regulatory treatment for existing or new A Ordinary Shareholders or for any member of the Group.
- 22.4 Any condition applying to the Plan (including provisions set out in these Articles) may be altered if any event, or series of events, occur as a result of which the Committee considers it to be fair and reasonable to make such a change (and this includes the discretion to impose a new condition and/or to adjust an existing condition of the Plan (including provisions set out in these Articles)). Any such alteration may not make the conditions of the Plan as a whole materially easier or harder to satisfy than was originally intended.