

# • Gateley Plc

Company number: 03460361

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**HILLBRIDGE INVESTMENTS LIMITED**

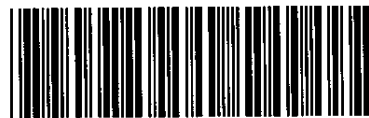
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**ARTICLES OF ASSOCIATION**  
adopted on 26 September 2018

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Company number: 03460361

**PRIVATE COMPANY LIMITED BY SHARES  
ARTICLES OF ASSOCIATION OF**

**HILLBRIDGE INVESTMENTS LIMITED (the Company)**

**1. DEFINITIONS AND INTERPRETATION**

**1.1** In these Articles the following definitions will apply:

**A Shareholder**

a holder of A shares from time to time;

**A Shares**

the A ordinary shares of £0.01 each in the capital of the Company in issue from time to time (each an **A Share**);

**Accountants**

a chartered accountant or firm of chartered accountants nominated by, and engaged on terms approved by, the Board with Founder Shareholder Consent;

**Act**

the Companies Act 2006;

**acting in concert**

has the meaning set out in the City Code on Takeovers and Mergers in force for the time being;

**Adoption Date**

the date of the adoption of these Articles by the Company;

**B Shares**

the B ordinary shares of £0.01 each in the capital of the Company in issue from time to time (each a **B Share**);

**Bad Leaver**

a person who ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in paragraph (a) of the definition of Event of Default as a result of:

- (a) the voluntary resignation of that Shareholder (other than for a reason set out in the definition of Good Leaver); or
- (b) any other circumstances in which he is not a Good Leaver;

**Board**

the board of Directors for the time being;

**Business Day**

any day (other than a Saturday, Sunday or public holiday) during which clearing banks in the City of London are open for normal business;

**C Shares**

the C ordinary shares of £0.01 each in the capital of the Company in issue from time to time (each a **C Share**);



**Change of Control**

the acquisition by a Third Party Purchaser of any interest in any Shares if, upon completion of that acquisition, that Third Party Purchaser (together with any person connected with or acting in concert with that Third Party Purchaser) would be entitled to exercise 50% or more of the total voting rights normally exercisable at any general meeting of the Company;

**Company EBT**

any employee benefit trust constituted by the Company from time to time;

**Compulsory Transfer Notice**

has the meaning given in article 8;

**Compulsory Transfer Shares**

where the Event of Default arises in relation to a Defaulting Shareholder, any Shares held by the Defaulting Shareholder and/or any of his Family Members and Family Trusts, together with, in the case of any such person, any further Shares received by him or (where applicable) any of his Family Members and Family Trusts after the date of service of the Compulsory Transfer Notice by way of a rights issue or on a capitalisation in respect of any of the Shares referred to above;

**Defaulting Shareholder**

has the meaning given in article 8.1;

**Director**

a director of the Company for the time being (and **Directors** shall be construed accordingly);

**Eligible Director**

a Director who would be entitled to vote on the 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 Employees**

any employees of a Group Company who meet any qualifying conditions from time to time set by the Board (with Founder Shareholder Consent), and any other employees approved by the Board (with Founder Shareholder Consent);

**Employee Share Scheme Agreement**

any option agreement at any time entered into by the Company (with Founder Shareholder Consent) pursuant to an employee share scheme;

**Encumbrance**

any mortgage, charge (fixed or floating), pledge, lien, option, hypothecation, restriction, right to acquire, right of pre-emption or interest (legal or equitable) including any assignment by way of security, reservation of title, guarantee, trust, right of set off or other third party right or any other security interest having a similar effect howsoever arising;

**Event of Default**

the occurrence of any of the following events in relation to a person:

- (a) the person being a Shareholder holding C Shares other than an A Shareholder, his Family Members and his Family Trusts, ceasing for any

reason (including death) to be an employee or director of, or a consultant to, a Group Company (including where such cessation occurs as a result of a Group Company ceasing to be a Group Company) where the person does not remain, or immediately become, an employee or director of, or consultant to another Group Company; or

- (b) the death of the person being a Shareholder holding C Shares (other than an A Shareholder, his Family Members and his Family Trusts) or a person who has transferred C Shares pursuant to article 6.3 or 6.4 (other than an A Shareholder, his Family Members and his Family Trusts and any transferee who has received C Shares pursuant to articles 6.3 or 6.4);
- (c) an Insolvency Event occurring in relation to the person (being a Shareholder other than a transferee who has received Shares pursuant to articles 6.3 or 6.4); or
- (d) the person being a Shareholder holding B Shares or C Shares (other than an A Shareholder, his Family Members and his Family Trusts) or any other employee or director of, or a consultant to, a Group Company (other than an A Shareholder, his Family Members and his Family Trusts), committing any material breach of clauses 16, or 21 of his Service Agreement which breach, if capable of remedy, has not been remedied to the reasonable satisfaction of the Board within 10 Business Days of a notice from the Board to the person requesting such remedy; or
- (e) the person being a Shareholder holding B Shares or C Shares other than an A Shareholder, his Family Members and his Family Trusts, committing any material breach of clauses 6, 7 or 10 of the Shareholders' Agreement which breach, if capable of remedy, has not been remedied to the reasonable satisfaction of the Board within 10 Business Days of a notice from the Board to the person requesting such remedy;

**Fair Value**

the price which the Accountants state in writing to be their opinion of the fair value of the Shares concerned, calculated on the basis that:

- (a) the Fair Value is the sum which a willing buyer would agree with a willing seller on an arm's length sale to be the purchase price for the Shares concerned;
- (b) no additional or reduced value is attached to any holding of Shares by virtue only of such holding comprising or after purchase conferring or giving rise to a majority or minority of the total issued share capital of the Company;
- (c) appropriate account shall be taken of the fact that the transferability of the relevant Shares is restricted under these Articles;
- (d) if the Company is then carrying on business as a going concern, it will continue to do so; and
- (e) any difficulty in applying any of the bases set out above shall be resolved by the Accountants as they, in their absolute discretion, think fit.

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**Family Member**

in relation to any Shareholder, the spouse or partner (including any civil partner) of that Shareholder and their respective children (including step and adopted children) and grandchildren (including step and adopted grandchildren) for the time being;

**Family Trust**

a trust under which the only persons being (or capable of being) beneficiaries are.

- (a) the settlor; and/or
- (b) the Family Members of that settlor; and/or;
- (c) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from that property when the trust is created but may become so interested if there are no other beneficiaries for the time being except other charities)

and under which no power of control over the voting powers conferred by any Share is exercisable at any time by, or subject to the consent of, any person other than the trustees, the settlor or the Family Members of that settlor. For the purposes of this definition:

- (i) settlor shall include a testator or an intestate in relation to a Family Trust arising under a testamentary disposition or an intestacy of a deceased Shareholder; and
- (ii) Family Member shall include the widow or widower of the settlor or the surviving partner (including any surviving civil partner) of such settlor at the date of his death;

**Founder Shareholder Consent**

the prior written consent of the holders of not less than 75 per cent in nominal value of the A Shares;

**Founder Shareholder Majority**

the holders of not less than 75 per cent in nominal value of the A Shares;

**Good Leaver**

a person who ceases to be an employee or director of, or a consultant to, a Group Company in the circumstances set out in paragraph (a) of the definition of Event of Default as a result of:

- (a) the death of that Shareholder;
- (b) disability or incapacity through ill health (other than where such ill health arises from the abuse of alcohol or drugs) where a Founder Shareholder Majority resolves that such ill health is preventing, or is likely to prevent, the Shareholder from performing his normal duties;
- (c) the sale or disposal of the Group Company (or the business of the Group Company) in which he is engaged or employed;
- (d) the Shareholder being made redundant by a Group Company;

- (e) the Shareholder voluntarily choosing to retire from the Group with Founder Shareholder Consent;
- (f) the termination of that Shareholder's employment by a Group Company in circumstances that are determined by a decision of an Employment Tribunal or Court, which decision is final and no longer appealable, to be or amount to wrongful dismissal where the Shareholder has commenced proceedings in respect of such claim within 3 months of the date of cessation of the Shareholder's employment;
- (g) the Service Agreement of that Shareholder being terminated by the Shareholder in circumstances which amount to constructive dismissal or, in relation to a non-executive director or consultant only, the Service Agreement pursuant to which that Shareholder provides services to a Group Company being terminated by that Shareholder in circumstances which amount to a repudiatory breach by that company;
- (h) that Shareholder having been dismissed by a Group Company in circumstances which amount to unfair dismissal (other than on procedural grounds); or
- (i) any other reason which a Founder Shareholder Majority determines, in their absolute discretion within 20 Business Days of the Shareholder ceasing to be employed or engaged by a Group Company, shall result in the Shareholder being a Good Leaver for the purposes of these Articles;

**Group**

the Company and its subsidiaries for the time being (and **Group Company** shall be construed accordingly);

**Group Conflict Situation**

in respect of each director, all or any of the following situations existing at any time while such person is a director.

- (a) being employed or otherwise engaged by any Group Company;
- (b) holding office, including (but not limited to) office as a director, of any Group Company;
- (c) being a member of any pension scheme operated from time to time by any Group Company;
- (d) being a member of any Group Company; or
- (e) participating in any share option, bonus or other incentive schemes operated from time to time by any Group Company; or
- (f) participating in any benefit provided by an employee benefit trust of which the director is a beneficiary;

**Insolvency Event**

the occurrence of any of the following events in respect of a Shareholder:

- (a) a petition or resolution being presented or passed for the bankruptcy or liquidation of that Shareholder;

- (b) the Shareholder convening a meeting of his or its creditors or circulating a proposal in relation to, or taking any other steps with a view to, making an arrangement or composition in satisfaction of his or its creditors generally;
- (c) the Shareholder being unable to pay his or its debts as they fall due (within the meaning of section 268 Insolvency Act 1968);
- (d) any step being taken for the appointment of a receiver, manager or administrative receiver over all or any part of the Shareholder's assets, or any other steps being taken to enforce any Encumbrance over all or any part of the Shareholder's assets or any Shares held by that Shareholder; or
- (e) any proceedings or orders equivalent or analogous to any of those described in paragraphs (a) to (d) above occurring in respect of the Shareholder under the law of any jurisdiction outside England and Wales;

**Model Articles**

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;

**Ordinary Shares**

the A Shares, the B Shares and the C Shares in the capital of the Company in issue from time to time (each an **Ordinary Share**);

**Relevant Securities**

any Shares, or any right to subscribe for or convert any securities into any Shares (each a **Relevant Security**);

**Relevant Shareholders**

has the meaning given in article 8.1;

**Sale Shares**

has the meaning given in article 7.1.2(a);

**Share**

any share in the capital of the Company for the time being (and **Shares** shall be construed accordingly);

**Shareholder**

a registered holder for the time being of an issued Share, as recorded in the register of members of the Company (and **Shareholders** shall be construed accordingly);

**Service Agreement**

a Shareholder's service agreement, consultancy agreement or other contract for services with the Group including any contract for services where the Shareholder contracts through a service company;

**Shareholders' Agreement**

the shareholders' agreement relating to the Company dated 22 May 2015 and made between the Company and the Shareholders on the date of the Shareholders' Agreement;



**Third Party Purchaser**

any person who is not a Shareholder for the time being or a person connected with a Shareholder; and

**Transfer Notice**

a notice in accordance with article 7 that a Shareholder wishes to transfer his Shares.

- 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 Adoption Date and any subordinate legislation made under the statutory provision before or after the Adoption Date;
  - 1.3.2 a "subsidiary" shall include a reference to a "subsidiary" and a "subsidiary undertaking" (each as defined in the Act) and a reference to a "holding company" shall include a reference to a "holding company" and a "parent undertaking" (each as defined in the Act);
  - 1.3.3 a person includes a reference to an individual, a body corporate and any association, government, state, agency of state or 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);
  - 1.3.4 writing includes any mode of reproducing words in a legible and non-transitory form other than fax;
  - 1.3.5 "these Articles" is to these articles of association (including the provisions of the Model Articles incorporated in them), 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; and
  - 1.3.6 any agreement or document is to that agreement or document as in force for the time being and as amended from time to time in accordance with the terms of that agreement or document or with the agreement of all the relevant parties.
- 1.4 The contents table and headings in these Articles are for convenience only and do not affect the interpretation or construction of these Articles.
- 1.5 Words importing the singular include the plural and vice versa and words importing a gender include every gender.
- 1.6 The words "other", "include", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible.
- 1.7 Any question as to whether a person is connected with another shall be determined in accordance with section 1122 of the Corporation Tax Act 2010 (except that in construing section 1122 "control" has the meaning given by section 1124 or section 450 of that Act so that there is control whenever section 1124 or 450 requires) which shall apply in relation to these Articles as it applies in relation to that Act.

- 1.8 These Articles shall be binding on and shall survive for the benefit of the personal representatives and successors-in-title of each party.
2. **ISSUE OF SHARES**
- 2.1 Notwithstanding any other provision of these Articles:
- 2.1.1 no Share shall be allotted to a person unless that person (if not already a party to the Shareholders' Agreement) has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement; and
- 2.1.2 no Share shall be allotted to any person without Founder Shareholder Consent (other than pursuant to an Employee Share Scheme Agreement).
- 2.2 Subject to article 2.3, and unless otherwise determined by special resolution of the Company with Founder Shareholder Consent, any Relevant Securities which the Directors propose to allot, grant or otherwise dispose of shall first be offered to the Shareholders. Such offer shall be made by means of a notice (a **Subscription Notice**) served by the Directors on the Shareholders which shall:
- 2.2.1 state the number of Relevant Securities offered;
- 2.2.2 state the subscription price per Relevant Security, which shall be determined by the Directors with Founder Shareholder Consent;
- 2.2.3 invite the relevant offerees to respond in writing to the Company stating the number of Relevant Securities for which they wish to subscribe; and
- 2.2.4 expire, and the offer made in that Subscription Notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on the date specified in the Subscription Notice, being not less than 10 nor more than 20 Business Days after the date of the Subscription Notice.
- 2.3 A Subscription Notice shall not be sent to, and no Shares shall be treated as offered to, any Relevant Shareholder upon whom a Compulsory Transfer Notice has been served in accordance with article 8.
- 2.4 After the expiry of the period referred to in the Subscription Notice or, if sooner, upon all Shareholders to whom a Subscription Notice was sent 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:
- 2.4.1 no Relevant Securities shall be allocated to:
- (a) any Shareholder who, at the Subscription Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice; or
- (b) any Relevant Shareholder upon whom a Compulsory Transfer Notice has been served pursuant to article 8;
- 2.4.2 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 it applied for) to the number of Ordinary Shares held by each of them respectively; and

- 2.4.3 the allocation of any fractional entitlements to Relevant Securities amongst the Shareholders shall be dealt with by the Directors with Founder Shareholder Consent, in such manner as they see fit.
- 2.5 Within 5 Business Days of the Subscription Allocation Date, the Directors shall give notice in writing (a **Subscription Allocation Notice**) to each Shareholder to whom Relevant Securities have been allocated pursuant to article 2.4 (each a **Subscriber**). A Subscription Allocation Notice shall state:
  - 2.5.1 the number of Relevant Securities allocated to that Subscriber;
  - 2.5.2 the aggregate subscription price payable by the Subscriber in respect of the Relevant Securities allocated to him; and
  - 2.5.3 the place, date and time (being not less than 2 nor more than 5 Business Days after the date of the Subscription Allocation Notice) at which completion of the subscription for the Relevant Securities shall take place.
- 2.6 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 in respect of the Relevant Securities. 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 2.2 to 2.5.
- 2.7 Any Relevant Securities which are not accepted pursuant to articles 2.2 to 2.5, and any Relevant Securities released from the provisions of those articles either by virtue of a Subscriber's default in accordance with article 2.6 or by virtue of a special resolution of the Company with Founder Shareholder Consent, may be offered by the Directors to any person approved by them 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:
  - 2.7.1 no Share shall be issued at a discount;
  - 2.7.2 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 Shareholders pursuant to article 2.2; and
  - 2.7.3 no Relevant Securities shall be allotted, granted or otherwise disposed of more than 3 months after the date of the relevant Subscription Notice in respect of the Relevant Securities (or, in the case of Relevant Securities released from the provisions of articles 2.2 to 2.5 by virtue of a special resolution with Founder Shareholder Consent, the date of that special resolution) unless the procedure in articles 2.2 to 2.5 is repeated in relation to such Relevant Securities.
- 2.8 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to the Company.
- 2.9 Where any Ordinary Share is issued to an existing Shareholder holding Ordinary Shares, such new Share shall, on and from the time of registration of the allotment

of that Share in the register of members of the Company, be immediately and automatically (without resolution of the Shareholders or Directors) re-designated as a Share of the same class as the Ordinary Shares already held by such Shareholder.

### **3. RIGHTS ATTACHING TO SHARES**

- 3.1 The shares of each class of Share shall entitle the holders of those Shares to the respective rights and obligations set out in these Articles.
- 3.2 On a return of the Company's assets on a liquidation, capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be applied in paying to the holders of the Ordinary Shares (pari passu as if the same constituted one class of Share), the balance of such assets.
- 3.3 On a sale of the Company, the proceeds of sale shall be allocated in accordance with article 3.2 as if the references in that article to the assets of the Company remaining after the payment of its liabilities referred to the proceeds of sale. If any of the proceeds of sale are payable in the form of shares or loan notes, then unless otherwise agreed by the Shareholders, each Shareholder shall receive the same proportion of his total consideration in cash and the same proportion in shares or loan notes.
- 3.4 Any profits which the Company determines to distribute shall be distributed amongst the holders of the A Shares, the B Shares and the C Shares pro rata according to the number of such Shares held by each of them respectively, as if such Shares constituted one class of Share.
- 3.5 Subject as otherwise provided in these Articles, each Ordinary Share shall respectively confer on the holder of such Share (in that capacity) the right to receive notice of and to attend, speak and vote at general meetings of the Company. Each holder of Shares who is entitled to receive notice of and to attend, speak and vote at general meetings of the Company and who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall on a show of hands, have one vote, and on a poll, shall have one vote for each Ordinary Share held by him.

### **4. VARIATION OF CLASS RIGHTS**

- 4.1 No variation of the rights attaching to any class of Shares shall be effective except with the prior written consent of the holders of at least 75% in nominal value of the issued Shares of that class.
- 4.2 Founder Shareholder Consent shall also be required before the Company can modify or vary any of the rights attached to any class of Shares.

### **5. TRANSFER OF SHARES - GENERAL**

- 5.1 Subject to articles 5.2 and 5.3, the Directors shall forthwith register any duly stamped transfer made in accordance with, or permitted by, these Articles and the Directors shall not register any transfer of Shares which is not so made or permitted. Article 26(5) of the Model Articles shall not apply to the Company.
- 5.2 Notwithstanding any other provision of these Articles no transfer of any Shares, other than one made under article 9 or 10, shall be registered to a person unless that person (if not already a party to the Shareholders' Agreement) has entered into a deed of adherence to, and in the form required by, the Shareholders' Agreement.
- 5.3 For the purposes of ensuring that:
  - 5.3.1 a transfer of any Share is in accordance with these Articles;

5.3.2 no circumstances have arisen whereby a Shareholder is required to give or may be deemed to have given a Transfer Notice in respect of any Share; or

5.3.3 no circumstances have arisen whereby the provisions of article 10 are required to be or ought to have been triggered

the Directors may from time to time and shall if requested so to do by a Founder Shareholder Majority, require any Shareholder to provide, or to procure that any person named as the transferee in any transfer lodged for registration provides, such information and evidence as the Directors or a Founder Shareholder Majority may require for such purpose. Pending such information or evidence being provided, the Directors are entitled to and shall if requested so to do by a Founder Shareholder Majority, refuse to register any relevant transfer of Shares.

5.4 If any information or evidence provided pursuant to article 5.3 discloses to the reasonable satisfaction of the Directors that circumstances have arisen whereby a Shareholder is required to give or be deemed to have given a Transfer Notice, the Directors may with Founder Shareholder Consent (and shall if requested so to do by a Founder Shareholder Majority) by notice in writing to the relevant Shareholder, require that a Transfer Notice be given in respect of the Shares concerned.

5.5 In any case where a Shareholder is required to give a Transfer Notice in accordance with the provisions of these Articles and such Transfer Notice is not duly given within a period of 10 Business Days of written notice from the Directors to the relevant Shareholder requesting that such Transfer Notice be duly given, such Transfer Notice shall be deemed to have been given immediately upon the expiry of that period of 10 Business Days.

5.6 Notwithstanding any other provision of these Articles, unless a Founder Shareholder Majority resolves otherwise:

5.6.1 any Shares which are the subject of a Compulsory Transfer Notice or a Transfer Notice deemed to have been served in accordance with article 5.5 (and any Shares received after the date of service, or deemed service, of any such Compulsory Transfer Notice or Transfer Notice by way of a rights issue or on a capitalisation in respect of the Shares which are the subject of that Compulsory Transfer Notice or Transfer Notice) shall with effect from the date of the relevant Compulsory Transfer Notice or deemed Transfer Notice (or, if later, the date on which such Shares are issued), cease to confer upon the holder of those Shares any right to receive notice of, or attend, speak or vote at, any general meeting of the Company or any right to receive or vote on any written resolution of the Company until such time as another person is entered in the register of members of the Company as the holder of those Shares;

5.6.2 no transfer of any Share which is the subject of a Transfer Notice or a Compulsory Transfer Notice shall be permitted pursuant to article 6; and

5.6.3 any obligation to transfer a Share under these Articles shall be deemed to be an obligation to transfer the entire legal and beneficial interest in such Share free from all Encumbrances.

5.7 Where any Ordinary Share is transferred, such Share shall, on and from the time of registration of the transfer of that Share in the register of members of the Company, be immediately and automatically (without resolution of the Shareholders or Directors) re-designated as an Ordinary Share of the same class as any Ordinary Shares already held by the transferee of such Share.

## **6. PERMITTED TRANSFERS**

### **6.1 Transfer with consent**

Any Shares may be transferred at any time with Founder Shareholder Consent.

### **6.2 Transfer under an Employee Share Scheme Agreement**

Any Ordinary Shares may be transferred at any time pursuant to and in accordance with the terms of an Employee Share Scheme Agreement.

### **6.3 Transfer to a Family Member**

6.3.1 Subject to article 6.3.3, a Shareholder may at any time (but not more than once in each calendar year without the consent of the Directors with Founder Shareholder Consent) transfer any A Shares or B Shares held by him to one or more of his Family Members.

6.3.2 Subject to article 6.3.3 and with the prior written consent of the Directors with Founder Shareholder Consent, a Shareholder may at any time (but not more than once in each calendar year) transfer any C Shares held by him to one or more of his Family Members.

6.3.3 Where any Shareholder (in this article 6.3.3 the **transferor**) transfers Shares inter vivos to a Family Member (in this article 6.3.3 the **transferee**) the transferor shall procure, before the transfer is presented for registration, that he is appointed, on terms reasonably satisfactory to the Directors with Founder Shareholder Consent, as the attorney of the transferee to exercise, in the name of and on behalf of the transferee, all or any of the voting rights in relation to the Shares transferred to the transferee. For that purpose the transferee authorises the Company to send any written resolutions, notices or other communications in respect of the Shares registered in the name of the transferee to the transferor.

6.3.4 Where, following a transfer of Shares pursuant to article 6.3.1 or 6.3.2, the transferee of those Shares dies, ceases for any reason to be a Family Member of the transferor, has an Insolvency Event occur in relation to him or, by reason of his mental health, is subject to any court order which wholly or partly prevents him from personally exercising any powers or rights which he would otherwise have, the transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) shall within 20 Business Days of a written request to do so from the Directors or a Founder Shareholder Majority:

- (a) if the transferor is still alive transfer all the Shares held by him (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) to the transferor, failing which the Directors may (and shall, if so requested to do by a Founder Shareholder Majority) at any time authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant transferee (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) to the transferor and register the transferor of those Shares as the holder of such Shares; or
- (b) if the transferor is deceased and the Shares are C Shares, serve a Transfer Notice in respect of all the C Shares held by him (or his trustee in bankruptcy, personal representatives, executors or attorney, as the case may be) whereupon the provisions of article 7 shall apply.

- 6.3.5 A Family Member to whom Shares have been transferred pursuant to this article 6.3 may transfer those Shares back to the transferor at any time but for so long as the transferor is still alive may not otherwise transfer such Shares pursuant to this article 6.3.

**6.4 Transfer to a Family Trust**

- 6.4.1 Subject to article 6.4.3, a Shareholder may at any time (but not more than once in each calendar year without the consent of the Directors with Founder Shareholder Consent) transfer any A Shares or B Shares held by him to one or more trustees to be held on a Family Trust of which he is the settlor.

- 6.4.2 Subject to article 6.4.3 and with the prior written consent of the Directors with Founder Shareholder Consent, a Shareholder may at any time (but not more than once in each calendar year) transfer any C Shares held by him to one or more trustees to be held on a Family Trust of which he is the settlor.

- 6.4.3 No transfer of Shares shall be permitted pursuant to article 6.4.1 or 6.4.2 unless:

- (a) if it requires to review the same, the Board are satisfied that the trust constitutes a Family Trust;
- (b) if it requires to review the same, the Board (acting reasonably) are satisfied with the identity of the proposed trustee(s) of the Family Trust; and
- (c) the Board are satisfied that no costs incurred in the setting up or administration of the Family Trust are to be paid by any Group Company.

- 6.4.4 Where any Shares are held by a trustee(s) on a Family Trust, those Shares may be transferred to:

- (a) any new trustee(s) of the Family Trust appointed on a change in trustee(s);
- (b) the settlor of such Family Trust;
- (c) the trustees of another Family Trust which has the same settlor; or
- (d) any Family Member of the settlor of such Family Trust on their becoming entitled to such Shares under the terms of the Family Trust.

- 6.4.5 Where any Shares are held by a trustee(s) on a Family Trust and either:

- (a) the relevant trust ceases to be a Family Trust in relation to the settlor; or
- (b) there ceases to be any beneficiaries of the Family Trust other than charities

the trustee(s) shall forthwith, and in any event within 20 Business Days of the date on which the trust ceased to be such a Family Trust or there ceased to be any beneficiaries as above:

- (i) if the transferor is still alive transfer all the Shares held by them to the transferor failing which the Directors may (and shall, if so requested to do by a Founder Shareholder Majority) at any time authorise and instruct any Director to execute a transfer of the Shares on behalf of the relevant

transferee to the transferor and register the transferor of those Shares as the holder of such Shares; or

- (ii) if the transferor is deceased and the Shares are C Shares, serve a Transfer Notice in respect of all the C Shares held by them, whereupon the provisions of article 7 shall apply.

#### 6.5 **Transfer by a Company EBT**

Any Ordinary Shares held by a Company EBT may be transferred by the Company EBT to any Eligible Employees approved by the Board (with Founder Shareholder Consent).

### 7. **PRE-EMPTION ON TRANSFER OF SHARES**

#### 7.1 **Transfer Notice**

7.1.1 Except as permitted under article 6 (Permitted Transfers) or as provided for in articles 9 (Drag Along) and 10 (Tag Along), any Shareholder (a **Seller**) who wishes to transfer any Ordinary Share (or any interest in any Ordinary Share) shall, before transferring or agreeing to transfer such Share (or interest), give notice in writing (a **Transfer Notice**) to the Company of his wish. A Relevant Shareholder in respect of whom a Compulsory Transfer Notice has been served pursuant to article 8 may not serve a Transfer Notice under this article 7.

7.1.2 Subject to article 7.1.3, a Transfer Notice shall:

- (a) state the number of Shares (or interest in Shares) (the **Sale Shares**) which the Seller wishes to transfer;
- (b) state the name of any person (other than a Company EBT) to whom the Seller wishes to transfer the Sale Shares;
- (c) state the price per Sale Share (the **Proposed Price**) at which the Seller wishes to transfer the Sale Shares,
- (d) constitute the Company as the agent of the Seller in relation to the sale of the Sale Shares in accordance with this article 7; and
- (e) not be capable of variation or cancellation without the prior written consent of the Directors.

7.1.3 Where a Transfer Notice is one which is deemed to have been given by virtue of any provision of these Articles:

- (a) it shall relate to all the Shares registered in the name of the Seller;
- (b) the Transfer Price (as defined in article 7.2.1) shall be determined in accordance with articles 7.2.1(b) and 7.2.1(c);
- (c) it shall be irrevocable; and
- (d) subject to article 5.6, the Seller may retain any Sale Shares for which Buyers (as defined in article 7.4.2) are not found provided that the Seller shall not at any time thereafter be permitted to transfer all or any of such retained Sale Shares pursuant to article 6.

#### 7.2 **Transfer Price**

7.2.1 Subject to article 8.5, the Sale Shares will be offered for sale in accordance with this article 7 at the following price (the **Transfer Price**):

- (a) subject to Founder Shareholder Consent, the Proposed Price; or



- (b) such other price as may be agreed between the Seller and the Directors, with Founder Shareholder Consent, within 10 Business Days of the date of service (or deemed service) of the Transfer Notice; or
- (c) if no price is agreed pursuant to article 7.2.1(b) within 10 Business Days, or if the Directors direct at any time, whichever is the lower of (i) the Proposed Price and (ii) the Fair Value determined in accordance with article 7.2.2.

7.2.2 If the Seller and the Directors are unable to agree on the Transfer Price in accordance with article 7.2.1(b) or if the Directors direct in accordance with article 7.2.1(c), the Directors shall forthwith instruct the Accountants to determine and certify the Fair Value of each Sale Share.

7.2.3 The decision of the Accountants (who shall be deemed to act as an expert and not as an arbitrator) shall be final and binding on the Shareholders, save in the event of fraud or manifest error, and their costs for reporting on their opinion of the Fair Value shall, subject to article 7.2.4, be borne as directed by the Accountants (taking into account the conduct of the parties) or, in the absence of any such direction, as to one half by the Seller and the other half by the Company.

7.2.4 Where in the case of a Transfer Notice which is deemed to have been given by virtue of any provision of these Articles, the Fair Value is less than any price proposed by the Directors to the Seller not less than 5 Business Days prior to receipt of the Accountants' report by the Company, then the Accountants' fees shall be borne wholly by the Seller.

### 7.3 Offer Notice

7.3.1 Subject to article 7.3.2, the Directors shall serve a notice (an **Offer Notice**) on all Shareholders within 10 Business Days of the Transfer Price being agreed or determined in accordance with these Articles.

7.3.2 An Offer Notice shall not be sent to, and no Sale Shares shall be treated as offered to:

- (a) the Seller;
- (b) any Shareholder who, at the date of the Offer Notice, is bound to give, or has given or is deemed to have given a Transfer Notice in respect of any Shares registered in his name; and
- (c) any Relevant Shareholder upon whom a Compulsory Transfer Notice has been served pursuant to article 8.

7.3.3 An Offer Notice shall:

- (a) state the Shareholder Transfer Price;
- (b) state the number of Sale Shares (or interest in Sale Shares) which are available for the Seller to transfer;
- (c) state the name of any person to whom the Seller wishes to transfer the Sale Shares;
- (d) invite the relevant offerees to respond in writing to the Company stating the number of Sale Shares which they wish to purchase; and

- (e) expire, and the offer made in that notice to an offeree shall be deemed to be withdrawn if not previously accepted by such offeree, on a date which is not less than 20 nor more than 40 Business Days after the date of service of the Offer Notice.

#### 7.4 Allocation of Sale Shares

7.4.1 After the expiry of the period specified in the Offer Notice or, if sooner, upon all Shareholders to whom an Offer Notice was sent having responded to that Offer Notice (in either case the **Allocation Date**), the Directors shall allocate the Sale Shares in accordance with the applications received provided that:

- (a) if there are applications for more than the number of Sale Shares available, the Sale Shares shall be allocated to the relevant applicants in proportion (as nearly as practicable but without allocating to any applicant more Sale Shares than he applied for) to the number of Ordinary Shares held by each of them respectively;
- (b) the allocation of any fractional entitlements to Sale Shares amongst Shareholders shall be dealt with by the Directors with Founder Shareholder Consent in such manner as they see fit; and
- (c) no Sale Shares shall be allocated to:
  - (i) any Shareholder who, at the Allocation Date, is bound to give, or has given or is deemed to have given, a Transfer Notice in respect of any Shares registered in his name; or
  - (ii) any Relevant Shareholder upon whom a Compulsory Transfer Notice has been served pursuant to article 8.

7.4.2 Within 5 Business Days of the Allocation Date the Directors shall give notice in writing (an **Allocation Notice**) to the Seller and each Shareholder to whom Sale Shares have been allocated pursuant to article 7.4.1 (each a **Buyer**). An Allocation Notice shall state:

- (a) the name and address of the Buyer;
- (b) the number and class of Sale Shares allocated to that Buyer and aggregate purchase price payable by him in respect of the Sale Shares allocated to him; and
- (c) the place, date and time (being not less than 2 nor more than 5 Business Days after the date of service of the Allocation Notice) at which completion of the sale and purchase of the relevant Sale Shares shall take place.

7.4.3 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the place, date and time specified in the Allocation Notice when the Seller will, upon payment of the Transfer Price in respect of the Sale Shares allocated to a Buyer, transfer those Sale Shares, and deliver the relevant share certificate(s) in respect of those Shares (or a suitable indemnity in respect of any lost certificate in a form reasonably acceptable to the Directors), to that Buyer.

7.4.4 Subject to article 7.4.5, the service of an Allocation Notice shall constitute the acceptance by a Buyer of the offer to purchase the number of Sale Shares specified in that notice on the terms offered to that Buyer.

- 7.4.5 If after following the procedure set out in this article 7.4, the total number of Sale Shares applied for and allocated to the Buyers remains less than the total number of Sale Shares, then the Company shall notify the Seller that it has failed to find Buyers for all or some (as the case may be) of the Sale Shares.

**7.5 Default by the Seller**

- 7.5.1 If a Seller shall fail for any reason to transfer any Sale Shares to a Buyer when required by this article 7, the Directors may (and will, if requested to do so by a Founder Share Majority) authorise and instruct any Director to execute each necessary transfer of Sale Shares on the Seller's behalf as his agent or attorney and to deliver that transfer on the Seller's behalf to the relevant Buyer.
- 7.5.2 The Company may receive the purchase money from a Buyer on behalf of the Seller and thereafter shall, subject to due stamping, enter the name of that Buyer in the register of members of the Company as the holder of the Sale Shares so transferred to him. The receipt of the Company for the purchase money shall constitute a good discharge to the Buyer (who shall not be bound to see to the application of it) and after the Buyer has been registered in purported exercise of the power conferred by this article 7.5 the validity of the proceedings shall not be questioned by any person.
- 7.5.3 The Company shall hold the relevant purchase money on trust for the Seller (but without interest) and the Company shall not pay such money to the Seller until he has delivered the share certificate(s) in respect of the relevant Shares (or a suitable indemnity or other documentation if an interest in Shares is being transferred, in each case in a form reasonably satisfactory to the Directors) to the Company.

**7.6 Transfers following exhaustion of pre-emption rights**

If any Sale Shares are not allocated to a Buyer under any of the foregoing provisions of this article 7, the Seller may, at any time within 3 calendar months of the date of service of the notice referred to in article 7.4.5, sell any of those unallocated Sale Shares to any person approved by the Board (with Founder Shareholder Consent) at not less than the Transfer Price (without any deduction, rebate or allowance to the proposed purchaser), provided that the Directors shall not register the transfer if as a result of such transfer the proposed purchaser would be required to make an offer in accordance with article 10 until such time as that offer has been made and, if accepted, completed.

**8. COMPULSORY TRANSFERS**

- 8.1 If an Event of Default occurs in relation to a person (a **Defaulting Shareholder**) then the Board may (and shall if requested so to do by a Founder Shareholder Majority), without prejudice to any other rights or remedies which the Company or any other Shareholders may have, at any time within 12 months of becoming aware of the relevant Event of Default serve written notice (a **Compulsory Transfer Notice**) on the Defaulting Shareholder and any other Shareholder holding Compulsory Transfer Shares (together the **Relevant Shareholders**), and on the Company, notifying them that the relevant event is an Event of Default and requiring that the Relevant Shareholders sell, or procure the sale of, the Shares held or beneficially owned by the Relevant Shareholders (the **Default Shares**) pursuant to the provisions of this article 8.

**8.2 A Compulsory Transfer Notice**

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- 8.2.1 shall relate to all the Shares registered in the name of the Relevant Shareholders;
- 8.2.2 shall constitute the Directors (or any of them) as the agent of the Relevant Shareholders in relation to the sale of the Default Shares in accordance with article 7 as if each of the Relevant Shareholders is a Seller (as defined in article 7.1.1) and the Default Shares are Sale Shares (as defined in article 7.1.2); and
- 8.2.3 shall be irrevocable.
- 8.3 Upon the service of a Compulsory Transfer Notice:
- 8.3.1 no further Shares shall be issued or required to be offered under any provision of these Articles to any of the Relevant Shareholders;
- 8.3.2 the Relevant Shareholders (or any nominees, as the case may be) shall cease to be required in order to form a quorum at meetings of Shareholders;
- 8.3.3 the Relevant Shareholders (or any nominees, as the case may be) shall cease to be entitled to receive notice of, or attend, speak or vote at, any general meeting of the Company or to receive or vote on any written resolution of the Company;
- 8.3.4 the Relevant Shareholders (either solely or jointly with any other Shareholder(s)) shall cease to be required in order to form a quorum at any meeting of the Directors (or any meeting of the board of directors of any Group Company);
- 8.3.5 the Relevant Shareholders shall cease to be entitled to exercise any vote at a meeting of the Directors (or a meeting of the directors of any Group Company); and
- 8.3.6 save as set out in this article 8, the Relevant Shareholders may not sell or dispose of any of the Default Shares or any interest in any of those Default Shares.
- 8.4 If a Shareholder becomes aware of any event which gives rise to, or which is likely with the passing of time to give rise to, an Event of Default in respect of any person holding Shares, that Shareholder shall forthwith give notice of such event to the Directors. If no Compulsory Transfer Notice is served within the period of 12 months referred to in article 8.1, the relevant Event of Default is deemed to have lapsed.
- 8.5 The Default Shares will be offered for sale at a price determined in accordance with article 7.2.1(b) or, if needs be, article 7.2.1(c), save that:
- 8.5.1 where the Defaulting Shareholder is a Bad Leaver; or
- 8.5.2 where the Event of Default arises as a result of the Defaulting Shareholder (being a Shareholder holding B Shares or C Shares or any other employee or director of, or a consultant to, a Group Company) committing any material breach of clauses 16 or 21 of his Service Agreement, which breach, if capable of remedy, has not been remedied to the reasonable satisfaction of the Board within 10 Business Days of a notice from the Board to the Defaulting Shareholder requesting such remedy; or
- 8.5.3 where the Event of Default arises as a result of the Defaulting Shareholder (being a Shareholder holding B Shares or C Shares) committing any material breach of clauses 6, 7 or 10 of the Shareholders' Agreement, which breach, if capable of remedy, has not

been remedied to the reasonable satisfaction of the Board within 10 Business Days of a notice from the Board to the Defaulting Shareholder requesting such remedy; or

- 8.5.4 where the Event of Default arises as a result of an Insolvency Event occurring in relation to the Defaulting Shareholder,

which the Board may (and shall if requested so to do by a Founder Shareholder Majority) by notice in writing to the Relevant Shareholders determine that the Default Shares will be offered for sale at a price shall be the lower of the price determined in accordance with article 7.2.1(c) and a sum per Share equal to the price (or average price) per Share paid or deemed to have been paid by the Relevant Shareholders to acquire the Default Shares.

- 8.6 Where a Compulsory Transfer Notice has been served, then before the Default Shares are offered in accordance with the provisions of article 7 the Directors may require (and shall so require, if requested to do by a Founder Shareholder Majority) that the Default Shares first be offered to a Company EBT or to any employee, director or consultant identified by the Directors (with Founder Shareholder Consent) as being a replacement for the Defaulting Shareholder, for purchase by any such Company EBT, employee, director or consultant (the **Employee Share Option**) at price determined in accordance with article 8.5 (the **Transfer Price**).
- 8.7 If within 20 Business Days of the Employee Share Option offer being made (the **Acceptance Period**), a Company EBT or an employee, director or consultant identified as being a replacement for the Defaulting Shareholder pursuant to article 8.6, notifies the Company that it wishes to purchase some or all of the Default Shares, the Directors shall give notice in writing (an **ESO Allocation Notice**) to the Relevant Shareholders to that effect. An ESO Allocation Notice shall state the name and address of each transferee (each a **Buyer**), the number and class of shares to be transferred to each Buyer, the number and class of Shares to be transferred to each Buyer by each Relevant Shareholder (each a **Seller**), and the place, date and time (being not less than 2 nor more than 5 Business Days after the date of service of the ESO Allocation Notice) at which completion of the sale and purchase of the relevant Shares shall take place.
- 8.8 Completion of a sale and purchase of Shares pursuant to an ESO Allocation Notice shall take place at the place, date and time specified in the ESO Allocation Notice when each Seller will, upon payment of the Transfer Price in respect of the Shares allocated to a Buyer, transfer those Shares, and deliver the relevant share certificate(s) in respect of those Shares (or a suitable indemnity in respect of any lost certificate in a form reasonably acceptable to the Directors), to that Buyer.
- 8.9 If the Employee Share Option is taken up and any Seller fails to complete the sale of the Shares in accordance with article 8.8, the Directors may (and shall, if so requested by a Founder Share Majority) authorise a person to execute on behalf of the Seller an appropriate contract and, in the absence of the relative share certificate, any indemnity in respect thereof requested by the Directors and may deliver it or them on the Seller's behalf. The Company shall send a cheque in respect of the Transfer Price to the Seller at his registered address and after appropriate entries have been made in the Register of Members in purported exercise of this power, the validity of the proceedings shall not be questioned by any person.
- 8.10 If the offer to the Company EBT or employee, director or consultant is not accepted in full within the Acceptance Period or if no Company EBT is in existence and no such employee, director or consultant is in place, the Shares to the extent not so accepted shall if so requested by a Founder Share Majority, be offered to the

Company under chapter VII of Part V of the Act for purchase by it (the **Purchase of Own Shares Option**) at the Transfer Price, and only to the extent such an offer is not requested by a Founder Share Majority within 15 Business Days or is refused by the Company shall the Shares then be offered in accordance with the provisions of article 7.

- 8.11 If and to the extent that the Directors wish to take up the Purchase of Own Shares Option, the Directors shall proceed to convene as soon as practicable an extraordinary general meeting or circulate a written resolution to approve the purchase of the Shares that the Company wishes to purchase on the terms specified in this article 8 and, if required, to approve a payment in respect of the purchase otherwise than out of distributable profits or the proceeds of a fresh issue of Shares, and the Directors shall ensure that the other formalities required by the Act are expeditiously complied with. Provided that it is lawfully able to do so, the Company shall be obliged to purchase the Shares in question and the Relevant Shareholders shall be obliged to sell the Shares in question to the Company at the Transfer Price.
- 8.12 If and to the extent that the Purchase of Own Shares Option is taken up and any Relevant Shareholder fails to complete the sale of any of the Shares in question to the Company, the Directors may (and shall, if so requested by a Founder Share Majority) authorise a person to execute on behalf of the Relevant Shareholder an appropriate contract and, in the absence of the relative share certificate, any indemnity in respect thereof requested by the Directors and may deliver it or them on the Relevant Shareholder's behalf. The Company shall send a cheque in respect of the Transfer Price to the Relevant Shareholder at his registered address and after appropriate entries have been made in the Register of Members in purported exercise of this power, the validity of the proceedings shall not be questioned by any person. If the Company fails to complete the purchase within 42 days after the date on which it became obliged to complete the purchase, or the Members fail to pass the relevant resolution to approve the Purchase of Own Shares Option, the Shares in question shall be offered in accordance with article 7.

## 9. **DRAG ALONG**

- 9.1 If the holders of not less than 75% in nominal value of the A Shares (together the **Selling Shareholders**) wish to transfer all their Shares (together the **Selling Shareholders' Shares**) to a Third Party Purchaser, they shall have the option (a **Drag Along Option**) to require all of the other Shareholders (the **Continuing Shareholders**) to transfer all the Shares held by the Continuing Shareholders (the **Continuing Shares**) with full title guarantee to the Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this article 9. A Relevant Shareholder in respect of whom a Compulsory Transfer Notice has been served in accordance with article 8 may not exercise (or join in exercising) the Drag Along Option under this article 9.
- 9.2 Subject to article 9.3, the Selling Shareholders may exercise the Drag Along Option by giving notice to that effect (a **Drag Along Notice**) to each of the Continuing Shareholders.
- 9.3 A Drag Along Notice shall specify:
- 9.3.1 that the Continuing Shareholders are required to transfer all the Continuing Shares pursuant to this article 9;
  - 9.3.2 the identity of the Third Party Purchaser,

- 9.3.3 the consideration for which, or the prices at which, the Continuing Shares are to be transferred, determined in accordance with article 9.5 (the **Drag Along Consideration**); and
- 9.3.4 the proposed date of transfer (if known).
- 9.4 A Drag Along Notice may be revoked by the Selling Shareholders at any time prior to the completion of the sale and purchase of the Continuing Shares.
- 9.5 The Drag Along Consideration for each Ordinary Share shall be the same consideration per Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the Third Party Purchaser in respect of each Ordinary Share held by the Selling Shareholders. In each case, there shall be added the relevant proportion of any other payment or consideration (in cash or otherwise) received or receivable by the Selling Shareholders which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Selling Shareholders' Shares.
- 9.6 Completion of the sale and purchase of the Continuing Shares shall take place on the same date as completion of the sale and purchase of the Selling Shareholders' Shares (unless the Continuing Shareholders and a Founder Share Majority shall agree otherwise).
- 9.7 Upon the service of a Drag Along Notice, each Continuing Shareholder shall be deemed to have irrevocably appointed each of the Selling Shareholders (severally) as the agent of the Continuing Shareholder to execute, in the name of and on behalf of that Continuing Shareholder, any stock transfer form and covenant for full title guarantee in respect of the Continuing Shares registered in the name of that Continuing Shareholder and to do such other things as the agent may consider necessary or desirable to transfer and complete the sale of the Continuing Shares pursuant to this article 9 provided that such things do not impose any actual or potential obligation or liability on the Continuing Shareholder in addition to such covenant for full title guarantee and obligation to transfer the Continuing Shares registered in the name of that Continuing Shareholder
- 9.8 The provisions of this article 9 shall prevail over any contrary provisions of these Articles and, for the avoidance of doubt, the rights of pre-emption on transfer of Shares contained in article 7 shall not apply to the transfer of any Shares to a Third Party Purchaser named in a Drag Along Notice (or as that Third Party Purchaser may direct). Any Transfer Notice or Compulsory Transfer Notice served in respect of a Share which has not been allocated to a Buyer in accordance with article 7 shall automatically be revoked by the service of a Drag Along Notice.
- 9.9 Upon any person (a **New Shareholder**) becoming, at any time after the service of a Drag Along Notice, a registered holder of any Share pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares, a Drag Along Notice, on the same terms as the then current Drag Along Notice, shall immediately be deemed to have been served upon that New Shareholder. Upon the deemed service of a Drag Along Notice pursuant to this article 9.9, the New Shareholder shall become bound to sell and transfer to the Third Party Purchaser (or as the Third Party Purchaser may direct) any Share acquired by him as a result of the exercise of any such option, warrant or other right to subscribe for or acquire Shares. The provisions of this article 9 shall apply mutatis mutandis to the sale of any such Shares by such New Shareholder provided that completion of the sale and purchase of those Shares shall take place on whichever is the later of:
- 9.9.1 the date on which a Drag Along Notice is deemed to have been served on the New Shareholder pursuant to this article 9.9; and

- 9.9.2 the date of completion of the sale and purchase of the Continuing Shares pursuant to the original Drag Along Notice.

10. **TAG ALONG**

- 10.1 Save in the case of a transfer of Shares which is permitted in accordance with the provisions of article 5, but otherwise notwithstanding any other provision of these Articles, no sale or other disposition of any Shares (the **Committed Shares**) which would result in a Change of Control shall be made or registered unless a Founder Share Majority has consented to the transfer and before the transfer is made the relevant transferee has made a bona fide offer (a **Tag Along Offer**) by notice in writing (a **Tag Along Notice**) to acquire, in accordance with this article 10, from all the Shareholders other than the transferee (or persons connected with or acting in concert with him) all the Shares which are not Committed Shares (the **Uncommitted Shares**) for the consideration, or at the price (the **Tag Along Consideration**) calculated in accordance with article 10.3.

- 10.2 A Tag Along Notice shall:

- 10.2.1 state the Tag Along Consideration;
- 10.2.2 state the identity of the transferee;
- 10.2.3 invite the relevant offerees to respond in writing to the transferee stating that they wish to accept the Tag Along Offer, and
- 10.2.4 expire, and the offer made in the Tag Along Notice to an offeree shall be deemed to be withdrawn, if not previously accepted by such offeree, on the date (being not less than 5 nor more than 20 Business Days after the date of service of the Tag Along Notice) specified in the Tag Along Notice.

- 10.3 For the purposes of this article 10, the Tag Along Consideration for each Ordinary Share shall be the same consideration per Uncommitted Share (in the same form and due at the same time(s)) as that offered, given, paid or payable by, or due from, the transferee in respect of each Ordinary Share that is a Committed Share. In each case, there shall be added the relevant proportion of any other payment or consideration (in cash or otherwise) received or receivable by the holders of the Committed Shares which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or consideration given in respect of the Committed Shares.

11. **GENERAL MEETINGS**

- 11.1 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. Subject to article 11.2, any Shareholder entitled to receive notice of and to attend, speak and vote at general meetings of the Company and together holding not less than 50% of the Shares, who is present at the general meeting either in person, by proxy or by a duly appointed corporate representative shall be a quorum.

- 11.2 Article 41 of the Model Articles shall be amended by:

- 11.2.1 the addition of the following at the end of paragraph 41(1) in that article: "to a time not less than 10 Business Days later";
- 11.2.2 the addition of the following at the end of paragraph 41(4) (a) in that article: "such time, in the case of a meeting adjourned under article 41(1), to be not less than 10 Business Days later"; and



- 11.2.3 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, then the Shareholders present shall constitute a quorum".
- 11.3 The chairman of the board of Directors for the time being shall chair general meetings. If the chairman is unable to attend any general meeting, the Directors present at the meeting shall nominate any one of their number present at the meeting, to act as chairman of the meeting and the appointment of the chairman shall be the first business transacted at the meeting. Article 39 of the Model Articles shall not apply to the Company.
- 11.4 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.".
- 11.5 Article 45(1) of the Model Articles shall be amended as follows:
- 11.5.1 by the deletion of the words in Article 45(1)(d) and the insertion of the following in their place: "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
- 11.5.2 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 subject to Founder Shareholder Consent accept the proxy notice any time before the meeting.".
12. **APPOINTMENT AND REMOVAL OF DIRECTORS**
- 12.1 The holders of the A Shares shall have the right, exercisable from time to time and on more than one occasion to appoint any one or more persons as directors of the Company (each an **A Director**) and, from time to time and on more than one occasion, to remove any such person appointed by it. The first such A Director shall be Michael Roger Hewitt.
- 12.2 Any appointment or removal pursuant to article 12.1 shall be made by notice in writing to the Company signed by or on behalf of the relevant Shareholders. Such notice must be left at or sent by post to the registered office of the Company and the appointment shall take effect when the notice is received by the Company or, if later, on such date (if any) as may be specified in the notice.
- 12.3 Subject to section 168 of the Act, on any resolution to remove an A Director from office, the A Shares shall together carry one vote in excess of 50% of all the other votes exercisable in relation to such resolution, and that person must be present at a general meeting at which his removal is proposed for such meeting to be quorate. If any A Director is removed pursuant to section 168 of the Act (or otherwise) the holders of the A Shares may reappoint him or any other person as a Director.
- 12.4 In any case where, as a result of death or bankruptcy, the Company has no Shareholders and no Directors, the transmittee(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a Director. Article 17(2) of the Model Articles shall not apply to the Company and Article 27(3) of the Model Articles shall be modified accordingly.

13. **APPOINTMENT OF CHAIRMAN**

- 13.1 The first chairman of the board of Directors shall be Michael Roger Hewitt.
- 13.2 Unless otherwise directed by the holders of not less than 75% in nominal value of the A Shares, David Robert Ellison (**DRE**) shall serve as deputy chairman of the Board.
- 13.3 If the chairman for the time being is unable to attend any meeting of the Directors then the Directors shall appoint another of their number to act as chairman of that meeting. Unless otherwise directed by the holders of not less than 75% in nominal value of the A Shares, DRE shall serve as acting chairman if Michael Roger Hewitt is absent. Article 12 of the Model Articles shall be modified accordingly.

14. **ALTERNATE DIRECTORS**

- 14.1 Any Director (in this article 14, an **appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors, to:
- 14.1.1 exercise that Director's powers; and
  - 14.1.2 carry out that Director's responsibilities
- in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.
- 14.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by a Founder Shareholder Majority.
- 14.3 The notice must:
- 14.3.1 identify the proposed alternate; and
  - 14.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 14.4 An alternate Director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 14.5 Save as provided otherwise in these Articles, alternate Directors:
- 14.5.1 are deemed for all purposes to be Directors;
  - 14.5.2 are liable for their own acts and omissions;
  - 14.5.3 are subject to the same restrictions as their appointors, and
  - 14.5.4 are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member.
- 14.6 A person who is an alternate Director but not a Director:
- 14.6.1 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),
  - 14.6.2 may participate in a unanimous decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate); and

- 14.6.3 shall not be counted as more than one Director for the purposes of articles 14.6.1 and 14.6.2.
- 14.7 A Director who is also an alternate Director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present.
- 14.8 An alternate Director is not entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company. An alternate Director shall be entitled to be reimbursed by the Company such expenses as might properly be reimbursed to him if he were a Director.
- 14.9 The appointment of an alternate Director terminates:
- 14.9.1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate;
  - 14.9.2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
  - 14.9.3 on the death of the alternate's appointor;
  - 14.9.4 when the appointment of the alternate's appointor as a Director terminates; or
  - 14.9.5 when written notice from the alternate, resigning his office, is received by the Company.

## **15. PROCEEDINGS OF DIRECTORS**

### **15.1 Notice**

Unless agreed otherwise by all the Shareholders.

- 15.1.1 meetings of the Directors may be convened by any Director by not less than 10 Business Days' notice provided that a meeting of the Directors may be convened by not less than 24 hours' notice if:
- (a) the interests of the Company would, in the reasonable opinion of a Shareholder or Director, be likely to be materially and adversely affected if the business to be transacted at that meeting were not dealt with as a matter of urgency; or
  - (b) all the Directors agree in writing; and
- 15.1.2 any such notice of a meeting of the Directors shall be sent to each Director (and any alternate duly appointed in accordance with article 14) at the address and/or email address notified to the Company for this purpose by each such Director or alternate.

Article 9(1) of the Model Articles shall not apply to the Company.

### **15.2 Quorum**

- 15.2.1 Subject to article 15.2.2, two Eligible Directors, in each case present either in person or by a duly appointed alternate, shall be a quorum for any meeting of the Directors. No business shall be transacted at any meeting of the Directors unless the requisite quorum is present at the commencement of the business and also when such business is voted

upon. Article 11(2) of the Model Articles shall not apply to the Company.

15.2.2 If within 30 minutes of the time appointed for a meeting of the Directors there is no quorum present, the Director(s) present shall adjourn the meeting to a time not less than 10 Business Days later at a place nominated by them and shall procure that notice of such adjourned meeting is given to each Director in accordance with article 15.1.2. If at such adjourned meeting a quorum is not present within 30 minutes from the time appointed for the adjourned meeting, then the Directors present shall constitute a quorum. Article 11(3) of the Model Articles shall be modified accordingly.

15.2.3 If at any time before a meeting of the Directors or at such a meeting itself, a Director requests for any reason that such meeting should be adjourned or reconvened at another time or date (being not more than 10 Business Days after the date proposed for the meeting), then such meeting shall be adjourned or reconvened accordingly and no business shall be transacted at such meeting after such a request has been made. No meeting shall be adjourned more than once pursuant to this article 15.2.3.

### **15.3 Voting**

15.3.1 Subject to article 15.3.2 and save as agreed otherwise in writing by all the Shareholders:

- (a) all decisions made at any meeting of the Directors (or of any committee of the Directors) shall be made by resolution and any such resolution shall be decided by a majority of votes;
- (b) no such resolution shall be passed unless at least one A Director (if there is an A Director present) has voted in favour of it; and
- (c) at any Board meeting the A Directors present shall collectively have more votes than the other Directors present, regardless in each case of how many such Directors are actually present.

15.3.2 Any Director appointed by a Relevant Shareholder upon whom a Compulsory Transfer Notice has been served pursuant to article 8 (whether such appointment was made solely by such Relevant Shareholder or jointly with any other Shareholders) shall not be entitled to exercise any vote at a meeting of the Directors.

### **15.4 Delegation by Directors**

15.4.1 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers (or revoke or alter the terms and conditions of any such delegation) to a person or committee with a Founder Shareholder Consent.

15.4.2 Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may": "with Founder Shareholder Consent".

15.4.3 The provisions of article 15.2 shall apply to any meeting of a committee of the Directors.

## 15.5 Miscellaneous

Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may": "with Founder Shareholder Consent."

## 16. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

16.1 Subject to sections 177 and 182 of the Act and (where applicable) to any terms and conditions imposed by the Directors under article 17.3, 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:

16.1.1 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;

16.1.2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or a committee of Directors) in respect of such transaction or arrangement, or proposed transaction or arrangement, in which he is interested;

16.1.3 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 transaction or arrangement, or proposed transaction or arrangement, in which he is interested;

16.1.4 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;

16.1.5 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

16.1.6 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.

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

## 17. DIRECTORS' CONFLICTS OF INTEREST

17.1 The Directors may, in accordance with the requirements set out in this article 17, 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 situations which conflict or possibly may conflict with the interests of the Company (a **Conflict**).

17.2 Any authorisation under this article will be effective only if.

17.2.1 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;

- 17.2.2 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
  - 17.2.3 the matter was agreed to without the Director in question or would have been agreed to if his vote had not been counted.
- 17.3 Any authorisation of a Conflict under this article 17 shall be recorded in writing (but the authorisation shall be effective whether or not the terms are so recorded) and may, whether at the time of giving the authorisation or subsequently:
  - 17.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised;
  - 17.3.2 be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine; and
  - 17.3.3 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.
- 17.4 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:
  - 17.4.1 disclose such information to the Directors or to any Director or other officer or employee of the Company; or
  - 17.4.2 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.
- 17.5 Where the Directors authorise a Conflict they may (whether at the time of giving the authorisation or subsequently) provide, without limitation, that the Director:
  - 17.5.1 is excluded from discussions (whether at meetings of Directors or otherwise) related to the Conflict;
  - 17.5.2 is not given any documents or other information relating to the Conflict; and
  - 17.5.3 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.
- 17.6 Where the Directors authorise a Conflict:
  - 17.6.1 the relevant Director will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the Conflict; and
  - 17.6.2 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 their authorisation.
- 17.7 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.
- 17.8 For the purposes of sections 175 and 180(4) of the Act and for all other purposes, and notwithstanding the provisions of articles 17.1 to 17.7, it is acknowledged that a director may be or become subject to a Group Conflict Situation or Group Conflict Situations.
- 17.9 A director's duties to the Company arising from his holding office as director shall not be breached or infringed as a result of any Group Conflict Situation having arisen or existing in relation to him and such Group Conflict Situation shall, for the purposes of section 180(4) of the Act, be deemed authorised.
- 17.10 Any director the subject of a Group Conflict Situation shall:
- 17.10.1 not be held accountable to the Company for any benefit he directly or indirectly derives from his involvement in any Group Company;
  - 17.10.2 be entitled to receive notice (including any relevant board papers) to attend, count in the quorum towards and vote at board meetings relating in any way to and deal generally with, matters concerning, connected with or arising from the Group Conflict Situation concerned; and
  - 17.10.3 be entitled to keep confidential and not disclose to the Company any information which comes into his possession as a result of such Group Conflict Situation where such information is confidential as regards to any third party.
18. **SECRETARY**
- The Directors may appoint any person who is willing to act as the secretary of the Company for such term, on such remuneration and on such conditions as they may think fit and may from time to time remove or replace such person.
19. **SERVICE OF DOCUMENTS**
- 19.1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient:
- 19.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted;
  - 19.1.2 if properly addressed and sent by reputable international overnight courier to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, 5 Business Days after posting provided that delivery in at least 5 Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider;
  - 19.1.3 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
  - 19.1.4 if properly addressed and sent or supplied by email, 24 hours after the document or information was sent or supplied, and
  - 19.1.5 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article 19.1, no account shall be taken of any part of a day that is not a working day.

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

## 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:

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

(b) in relation to the activities of the Company (or any Group Company/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 Group 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 any Group 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 Group 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 Group Company or any pension fund or employees' share scheme of the Company or Group Company.

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