

3909395

THE COMPANIES ACT 1985

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

TENET GROUP LIMITED

(Adopted by Special Resolution passed on 7th December 2010)

TUESDAY



RM 08/02/2011 96  
COMPANIES HOUSE

1 DEFINITIONS AND INTERPRETATION

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

<b>"A Ordinary Shares"</b>	the A Ordinary Shares of £0 0001 each in the capital of the Company having the rights and being subject to the obligations set out in these Articles
<b>"Act"</b>	the Companies Act 1985 as amended, re-enacted or replaced from time to time
<b>"acting in concert"</b>	has the meaning ascribed to it by the City Code on Takeovers and Mergers as in force and construed on the date of adoption of these Articles
<b>"Auditors"</b>	the auditors for the time being of the Company
<b>"B Ordinary Shares"</b>	the B Ordinary Shares of £0 0001 each in the capital of the Company having the rights and being subject to the obligations set out in these Articles
<b>"Bad Leaver"</b>	refers to a Relevant Member who ceases to be a director or employee as provided for in Article 12 1 3 and who is not a Good Leaver
<b>"Board"</b>	the Directors present at a duly convened quorate meeting of the board of Directors of the Company or a duly appointed committee thereof
<b>"Borrowings"</b>	includes the following  (a) the amount payable by any member of the Group under any hire purchase credit sale conditional sale leasing or similar agreement (other than a lease of real or heritable property) which can in accordance with generally accepted accounting practice

be attributed to capital

- (b) the amount of any payment payable by any member of the Group for goods and services which is deferred (except for deferred payments within the ordinary course of trading)
- (c) the nominal amount of any issued Share capital and the principal amount of any subsisting debentures or borrowed money together in each case with any fixed or minimum premium payable on redemption or repayment of any body (whether corporate or unincorporated) the beneficial interest in which is not for the time being owned by a member of the Group and the redemption or repayment of which is the subject of a guarantee or indemnity given by a member of the Group
- (d) the outstanding amount raised by acceptances by any bank or accepting house under any acceptance credit facility opened on behalf of and in favour of any member of the Group
- (e) the principal amount of any subsisting debenture (whether secured or unsecured) granted by any member of the Group owned otherwise than by a member of the Group to the extent not already taken in to account in paragraph (c) above
- (f) the principal amount of any issued preference Share capital of any member of the Group (other than the Company) owned otherwise than by a member of the Group
- (g) the amount payable by any member of the Group under any letter of credit issued in respect of the obligations of any member of the Group to the extent not already taken in to account in paragraph (d) and
- (h) any fixed or minimum premium payable by any member of the Group on final redemption or repayment of any subsisting borrowing or deemed borrowing to the extent not already taken in to account in any of paragraphs (a) to (g) (both inclusive)

	above
<b>“business day”</b>	any day (other than a Saturday or Sunday) on which clearing banks are open for business in London
<b>“Change of Control”</b>	the acquisition whether by purchase, transfer, renunciation or otherwise but excluding a transfer of Shares made in accordance with Article 10 (other than Article 10.3) by a Third Party Purchaser of any interest in any Shares if, upon completion of that acquisition, the Third Party Purchaser, together with persons acting in concert or connected with him (excluding any person who is a Member on the date of adoption of these Articles), would hold more than 50 per cent of the voting rights attached to the issued Shares or
<b>“communication”</b>	means the same as in the Electronic Communications Act 2000
<b>“connected with”</b>	has the meaning ascribed to it in section 839 Income and Corporation Taxes Act 1988 save that there shall be deemed to be control for that purpose whenever either section 416 or section 840 of that act would so require
<b>“Deemed Transfer Notice”</b>	has the meaning ascribed to it in Article 12.2
<b>“Directors”</b>	the directors of the Company for the time being and “Director” shall be construed accordingly
<b>“electronic communication”</b>	means the same as in the Electronic Communications Act 2000
<b>“Equity Shares”</b>	the A Ordinary Shares and the B Ordinary Shares
<b>“equity share capital”</b>	as defined in section 744 of the Act
<b>“Family Member”</b>	in relation to a Member, any of his spouse (or widow or widower), children and grandchildren (including step and adopted children and grandchildren)
<b>“Family Trust”</b>	in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the

trustees or such Member or any of his Family Members

**“Good Leaver”**

refers to a Relevant Member who ceases to be a director or employee as provided for in Article 12.1.3 as a result of death, illness (including mental illness), permanent disability, permanent incapacity through ill health or retirement after the age of 60 years or who receives notice terminating his employment for a reason not justifying summary dismissal in accordance with his employment terms or who is wrongfully dismissed or who is classified as a Good Leaver by the Board notwithstanding the definition of Bad Leaver having ceased to be a director or employee in other circumstances

**“Group”**

the Company and all its subsidiaries and subsidiary undertakings for the time being and “member of the Group” shall be construed accordingly

**“Group Borrowings”**

the aggregate amount for the time being outstanding of all Borrowings of members of the Group (excluding amounts borrowed from one member of the Group by another member of the Group)

**“Investor Majority**

the holders of more than 60% by nominal amount of the B Ordinary Shares for the time being in issue

**“Listing”**

- (a) the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any part of the issued equity share capital of the Company to the Official List, and such admission becoming effective
- (b) the granting of permission by the London Stock Exchange for the introduction of any part of the issued equity share capital of the Company to trading on the Alternative Investment Market, and such permission becoming effective or
- (c) any equivalent admission to, or permission to deal or trade on, any other Recognised Investment Exchange becoming unconditionally effective in relation to any part of the issued equity share capital of the Company

<b>“London Stock Exchange”</b>	London Stock Exchange plc (registered number 2075721)
<b>“Market Value”</b>	as defined in Article 11 4 1
<b>“Member”</b>	any registered holder of a Share for the time being and “registered holder” shall mean the holder registered in the register of members of the Company at the relevant time in respect of the relevant Share
<b>“member of the same group”</b>	in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary
<b>“permitted transfer”</b>	any transfer of Shares permitted under Article 10
<b>“Recognised Investment Exchange”</b>	has the meaning ascribed thereto in section 285(1)(a) Financial Services and Markets Act 2000
<b>“Sale”</b>	the making of one or more agreements (whether conditional or not) for <ul style="list-style-type: none"> <li>(a) a Change of Control, or</li> <li>(b) the disposal by the Company to any Third Party Purchaser of the whole or the major part of the business and undertaking of the Group (whether in one or a series of connected transactions) and for this purpose “major” shall mean greater than 50% of the consolidated net asset value of the Group as shown in the latest consolidated audited accounts of the Company for the financial year ended immediately prior to the completion of such sale</li> </ul>
<b>“Shares”</b>	shares in the capital of the Company for the time being and “Share” shall be construed accordingly
<b>“Table A”</b>	Table A in the Companies (Tables A to F) Regulations 1985 as amended by the Companies (Tables A to F) (Amendment) Regulations 1985 and the Companies Act 1985 (Electronic Communications) Order 2000

**“Third Party Purchaser”**

any person who is not a Member on the date immediately following the date of adoption of these Articles

**“Valuers”**

means the Auditors unless

- (a) a report on Market Value is to be made pursuant to a Deemed Transfer Notice and, within 21 days after the date of the Deemed Transfer Notice, the Vendor notifies the Board in writing that it objects to the Auditors making that report; or
- (b) the Auditors give notice to the Company that they decline an instruction to report on Market Value

when the Valuers shall be a firm of chartered accountants agreed between the Vendor and the Board or, in default of agreement within 20 business days after the event referred to in (a) or (b) above, appointed by the President of the Institute of Chartered Accountants in England and Wales on the application of the Vendor or the Board

- 1 2 These Articles and the regulations of Table A (save to the extent to which such regulations are inconsistent with or modified by these Articles) shall constitute the articles of association of the Company
- 1 3 References in these Articles to regulations are to regulations in Table A and references to an Article by number are to the particular Article in these Articles
- 1 4 In these Articles, words importing a gender include every gender and references to persons shall include bodies corporate, unincorporated associations and partnerships
- 1 5 Words and expressions defined elsewhere in these Articles shall bear the meanings thereby ascribed to them Subject to the foregoing provisions of this Article 1 words and expressions defined in or for the purposes of the Act or Table A shall, unless the context otherwise requires, have the same meaning in these Articles
- 1 6 The headings in these Articles shall not affect their construction or interpretation
- 1 7 Whenever under these Articles it is desired or necessary for any two or more persons to give any notice, consent or approval in writing the same may be done by them executing two or more documents either in identical form or adapted only for execution
- 1 8 The Contracts (Rights of Third Parties) Act 1999 shall not apply to any rights under these Articles

- 1 9 Reference to an address for the purposes of any electronic communication means any number or address used for the purpose of such communication

## 2 **AUTHORISED SHARE CAPITAL**

The authorised Share capital of the Company is £61,785 27 divided into 367,852,700 "A" Ordinary Shares and 250,000,000 "B" Ordinary Shares

## 3 **A ORDINARY SHARES**

The rights attached to the A Ordinary Shares are as follows:

### 3 1 **Dividends**

Any profits which the Company determines to distribute in respect of any financial year shall be distributed amongst those Members who are registered holders of the A Ordinary Shares and/or the B Ordinary Shares then in issue (pari passu according to the number of such Shares held by them respectively as if they constituted one class of Share)

### 3 2 **Capital**

On a return of capital whether on liquidation, capital reduction or otherwise (but excluding a purchase of own Shares made by the Company) the surplus assets of the Company remaining after the payment of its liabilities shall be applied in distributing such assets amongst those Members who are registered holders of the A Ordinary Shares and/or the B Ordinary Shares (pari passu according to the number of such Shares held by them respectively as if they constituted one class of Share)

### 3 3 **Voting**

Each Member who is a registered holder of A Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and each Member who is a registered holder of A Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each A Ordinary Share of which he is the holder

## 4 **B ORDINARY SHARES**

The rights attached to the B Ordinary Shares are as follows

### 4 1 **Dividends**

The provisions of Article 3 1 shall apply

### 4 2 **Capital**

The provisions of Article 3 2 shall apply

#### 4 3 **Voting**

Each Member who is a registered holder of B Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and each Member who is a registered holder of B Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, have one vote for each B Ordinary Share of which he is the holder

#### 5 **PROVISION ON SALE**

5 1 On a Sale the following provisions of this Article 5 shall apply to determine the allocation of the proceeds of such Sale

5 2 The Members selling Shares shall (unless otherwise agreed by an Investor Majority and the Board) pay the proceeds thereof into a joint account at a UK clearing bank nominated by the Investor Majority immediately prior to the Sale and such proceeds shall as between the Members be allocated and paid to them (pari passu according to the number of such Shares held by them respectively as if they constituted one class of Share)

#### 6 **VARIATION OF CLASS RIGHTS**

Whenever the capital of the Company is divided into different classes of Shares, the special rights attached to any class may (unless otherwise provided by the terms of issue of the Shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of three quarters of the issued Shares of that class, or with the sanction of an extraordinary resolution passed at a separate meeting of the Members who are registered holders of the issued Shares of that class, but not otherwise To every such separate meeting, all the provisions of these Articles relating to general meetings of the Company shall, mutatis mutandis, apply

#### 7 **ISSUE OF SHARES**

7 1 Subject to the Act and to Articles 7 2, 7 3, 7 4 and 7 5 all unissued Shares shall be under the control of the Directors who may offer, allot, grant rights or warrants to subscribe for, grant options over, or otherwise deal with or dispose of such Shares in the Company to such persons and generally on such terms in such manner and at all such times as they may determine

7 2 Unless an Investor Majority otherwise consents, any unissued Shares which, upon their issue, would constitute equity share capital will, before they are allotted or issued, be offered by the Board for subscription to the holders of the issued Equity Shares in such proportions as equal (as nearly as possible) the proportion of the issued Equity Shares held by them respectively at that time For the purpose of this Article, the issued Equity Shares will be treated as one class of Share

7 3 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 15 business days) within which the offer, if not accepted, will be deemed to be declined At the end of that period, or



if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Board will offer the declined Shares in the same proportions to the holders of the Equity Shares who have accepted all the Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Board, be limited to a period of seven days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn.

7.4 Any Shares not taken up at the end of the procedure set out in Articles 7.2 and 7.3 may be offered by the Board to a third party in accordance with Article 7.1 however

7.4.1 no Shares will be issued at a discount,

7.4.2 no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Article 7.3 unless the procedure set out in those Articles is repeated in respect of such Shares, and

7.4.3 no Shares will be issued on terms which are more favourable to the allottee than those on which they are offered to the Members under Articles 7.2 and 7.3

7.5 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Members entitled to have the offer of new Shares made to them, any fraction of a Share would arise, such fraction will be rounded up or down (as appropriate) to the nearest whole number (with halves being rounded up)

7.6 Section 89(1) and Sections 90(1) to (6) of the Act shall not apply to the Company

7.7 Subject to Article 7.1, the Directors of the Company are hereby authorised pursuant to section 80 of the Act generally to exercise each and every power of the Company to allot relevant securities (as defined in that section) up to a maximum amount in nominal value which when aggregated with the relevant securities already in issue on the date of adoption of these Articles is equal to the authorised share capital of the Company on such date of adoption, such authority to expire on the day immediately preceding the fifth anniversary of the date of adoption of these Articles

7.8 The Company is hereby allowed to make before the authority conferred by Article 7.7 has expired one or more offers or agreements which would or might require relevant securities (as so defined) to be allotted after this authority has expired and the Directors may allot relevant securities (as so defined) after the authority conferred by Article 7.7 has expired in pursuance of each and every such offer or agreement made by the Company

7.9 The authority conferred by Article 7.7 is in substitution for each (if any) other authority already given pursuant to the said section 80 whether contained in earlier articles of association of the Company or otherwise and each (if any) such earlier authority is hereby revoked but without prejudice to the validity of any allotment offer or agreement made pursuant to any such earlier authority before the date of adoption of these Articles.

8        **LIEN**

8 1        The lien conferred by regulation 8 shall attach to all Shares of any class whether fully paid or not, and to all Shares registered in the name of any Member for all money present payable by him or his estate to the Company, whether he is their sole registered holder or one of two or more joint holders. Regulation 8 shall be modified accordingly.

8 2        All Shares to be sold in enforcement of the Company's lien or rights of forfeiture should be offered in accordance with Article 12 as if a Deemed Transfer Notice were deemed given in respect of such Shares.

9        **TRANSFER OF SHARES – GENERAL**

9 1        The Board shall not register the transfer of any Share or any interest in any Share unless the transfer is:

9 1 1       permitted by Article 10, or

9 1 2       made in accordance with Articles 11, 12, 13 or 14,

and in any case is not prohibited under Article 15.

9 2        For the purpose of ensuring that a transfer of Shares is in accordance with these Articles or that no circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may from time to time require any Member or any person named as transferee in any transfer lodged for registration to furnish to the Board such information and evidence as they reasonably deem relevant for such purpose.

9 3        If such information or evidence requested under Article 9 2 discloses to the reasonable satisfaction of the Board that circumstances have arisen whereby a Member may be bound to give or be deemed to have given a Transfer Notice the Board may by notice in writing to the Member(s) concerned require that a Transfer Notice be given in respect of the Shares concerned.

9 4        An 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 any lien, charge or other encumbrance.

9 5        Save in the case of a permitted transfer or a transfer to Members pursuant to Article 11 15 regulation 24 shall apply to the Company as modified by the deletion of the words "which is not fully paid".

9 6        Failing such information or evidence being furnished to their reasonable satisfaction within a reasonable time after request under Article 9.2 the Board may in their absolute discretion refuse to register the transfer in question.

9 7        Regulations 30 and 31 shall be modified to reflect the provisions of Articles 9 to 15 (both inclusive).

## 10 PERMITTED TRANSFERS

### 10 1 Transfers to relations and trustees

10 1.1 Subject to Articles 10 1.2 to 10.1 5 inclusive and to Article 15, any Member who is an individual may at any time transfer Shares to a person or persons shown to the reasonable satisfaction of the Board to be

• 10 1 1 1 a Family Member of his, or

10 1.1.2 trustees to be held under a Family Trust for that Member

10 1 2 No transfer of Shares shall be made under Article 10 1 1 2 unless the Board has confirmed in writing its satisfaction (such confirmation not to be unreasonably withheld or delayed)

10 1 2 1 with the terms of the instrument constituting the relevant Family Trust and in particular with the powers of the trustees including but not limited to the express power to give warranties and indemnities on any disposal of trust property,

10 1 2 2 with the identity of the trustees and the procedures for the appointment and removal of trustees,

10.1 2 3 with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees; and

10 1 2 4 that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by any member of the Group, and

10 1 3 Where Shares are held by trustees under a Family Trust

10 1 3 1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved in writing by the Board,

10 1 3 2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any other person to whom that settlor could have transferred them under Article 10.1 1 if he had remained the holder of them, and

10 1 3 3 if and whenever any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under Article 10 1.3 2), the trustees shall forthwith give a Transfer Notice (as defined in Article 11 1) in respect of all the Shares then held by those trustees and in any event within 28 days of the Shares ceasing to be so held

10 1 4 If any person has acquired Shares as a Family Member of a Member by way of one or more permitted transfers and that person ceases to be a Family Member of that Member, that person shall forthwith transfer all the Shares

then held by that person back to that Member, for such consideration as they agree, within 28 days of the cessation or, in default of such agreement, at the Market Value (calculated in accordance with Article 11 5)

10 1 5 If the personal representatives of a deceased Member are permitted under these Articles to become registered as the holders of any of the deceased Member's Shares and elect to do so, such Shares may at any time be transferred by those personal representatives under this Article 10 1 to any person to whom the deceased Member could have transferred such Shares under this Article 10 if he had remained the holder of them No other transfer of such Shares by personal representatives shall be permitted under this Article 10

#### **10 2 Transfers within groups of companies**

10 2 1 Any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same group

10 2 2 Where Shares have been transferred under Article 10 2 1 (whether directly or by a series of such transfers) from a Member ("the Transferor") to a member of the same group as the Transferor ("the Transferee") and subsequent to such transfer the Transferee shall cease to be a member of the same group as the Transferor then the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree and if they do not do so within 28 days of the date upon which the Transferee ceased to be a member of the same group the Board may require the Transferee to serve a Transfer Notice in respect of such Shares

#### **10 3 Transfers with consent**

A Member may transfer Shares to any person at any time with the prior written consent of an Investor Majority

#### **10 4 Transfers of entire interest**

A transfer of any Share pursuant to this Article 10 shall only be treated as a permitted transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust, where applicable)

### **11 VOLUNTARY TRANSFERS**

11 1 Any Member who wishes to transfer any Share ("a Vendor") shall before transferring or agreeing to transfer such Share or any interest in it, serve notice in writing ("a Transfer Notice") on the Company of his wish to make that transfer Save as permitted by Article 10 and subject always to Articles 13, 14 and 15 a Member who wishes to transfer an interest in a Share (but not the Share itself) may do so only with the prior approval of the Board

11 2 In the Transfer Notice the Vendor shall specify

- 11 2 1 the number of Shares ("Sale Shares") which he wishes to transfer,
- 11 2 2 the identity of the person (if any) to whom the Vendor wishes to transfer the Sale Shares,
- 11 2 3 the price per Share at which the Vendor wishes to transfer the Sale Shares ("the Proposed Sale Price");
- 11 2 4 any other terms relating to the transfer of the Sale Shares, and
- 11 2 5 whether the Transfer Notice is conditional upon all (and not part only) of the Sale Shares being sold pursuant to the following provisions of this Article 11 ("a Total Transfer Condition")
- 11 3 Each Transfer Notice shall.
  - 11 3 1 relate to one class of Shares only,
  - 11 3 2 constitute the Company as the agent of the Vendor for the sale of the Sale Shares on the terms of this Article 11,
  - 11 3 3 save as provided in Article 10.8, be irrevocable, and
  - 11 3 4 not contain or be deemed to contain a Total Transfer Condition unless the same is both expressly stated therein and permitted by these Articles
- 11 4 The Sale Shares shall be offered for purchase in accordance with this Article 11 at a price per Sale Share ("the Sale Price") agreed between the Vendor and the Board or, in default of such agreement by the end of the period of 15 business days commencing on the date of service of the Transfer Notice
  - 11 4 1 if the Board so elects within that period of 15 business days, the Sale Price shall be the price per share reported on by the Valuers as their written opinion of the open market value of each Sale Share ("the Market Value") as at the date of service of the Transfer Notice (in which case for the purposes of these Articles the Sale Price shall be deemed to have been determined on the date of the receipt by the Company of the Valuers' report), and
  - 11 4 2 otherwise the Sale Price shall be the Proposed Sale Price, in which case for the purpose of these Articles the Sale Price shall be deemed to have been agreed at the end of that 15 business days period
- 11 5 If instructed to report on their opinion of Market Value under Article 11 4 1 the Valuers shall.
  - 11 5 1 act as expert and not as arbitrator and their written determination shall be final and binding on the Members; and
  - 11 5 2 proceed on the basis that the open market value of each Sale Share shall be the sum which a willing purchaser would agree with a willing vendor to be the purchase price for all the class of Shares of which the Sale Shares form

part, divided by the number of issued Shares then comprised in that class but so that for this purpose all Equity Shares shall be valued as if they were one and the same class and sold ex dividend but taking no account of any premium or any discount by reference to the size of the holding the subject of the Transfer Notice but the price shall thereafter be adjusted to take account only of any actual arrears or accruals of dividend if Sale Shares are to be sold cum dividend

- 11 6 The Company will use its reasonable endeavours to procure that the Valuers deliver their written opinion of the Market Value to the Board and to the Vendor within 28 days of being requested to do so.
- 11 7 The Valuers' fees for reporting on their opinion of the Market Value shall be borne as the Valuers shall specify in their valuation or otherwise (in the absence of any specification by the Valuers) as to one half by the Vendor and as to the other half by the Company unless the Vendor revokes the Transfer Notice pursuant to Article 11 8 when the Vendor shall pay all the Valuers' fees
- 11 8 If the Market Value is reported on by the Valuers under Article 11 4 to be less than the Proposed Sale Price, the Vendor may revoke the Transfer Notice by written notice given to the Board within the period ("the Withdrawal Period") of 5 business days after the date the Board serves on the Vendor the Valuers' written opinion of the Market Value
- 11 9 The Board shall at least 10 business days after and no more than 20 business days after the Sale Price has been agreed or determined give an Offer Notice to all Members to whom the Sale Shares are to be offered in accordance with these Articles (whether first, second or third level offerees)
- 11 10 An Offer Notice shall
- 11 10.1 specify the Sale Price;
  - 11 10.2 contain the other details included in the Transfer Notice, and
  - 11 10 3 invite the relevant offerees to respond in writing, before expiry of the Offer Notice, to purchase the numbers of Sale Shares specified by them in their application,
- and shall expire 35 business days after its service
- 11 11 Sale Shares of a particular class specified in column (1) in the table below shall be treated as offered
- 11 11 1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below, and
  - 11 11 2 to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3) in the table below,

but no Shares shall be treated as offered to the Vendor or any other Member who is then bound to give, has given or is deemed to have given a Transfer Notice in respect of the Ordinary Shares registered in his name

(1)	(2)	(3)
Class of Sale Shares	First Offer to	Second Offer to
A Ordinary Share	Members holding A Ordinary Shares	Members holding B Ordinary Shares
B Ordinary Shares	Members holding B Ordinary Shares	Members holding A Ordinary Shares

11 12 After the expiry date of the Offer Notice the Board shall, in the priorities and in respect of each class of persons set out in the columns in the table in Article 11 11 allocate the Sale Shares in accordance with the applications received save that

11 12 1 if there are applications from any class of offerees for more than the number of Sale Shares available for that class of offerees, they shall be allocated to those applicants in proportion (as nearly as possible but without allocating to any Member more Sale Shares than the maximum number applied for by him) to the number of Shares of the class which entitles them to receive such offer then held by them respectively,

11 12 2 if it is not possible to allocate any of the Sale Shares without involving fractions, they shall be allocated amongst the applicants of each class in such manner as the Board shall think fit, and

11 12 3 if the Transfer Notice contained a valid Total Transfer Condition, no allocation of Sale Shares shall be made unless all the Sale Shares are allocated

11 13 The Board shall, within 5 business days of the expiry date of the Offer Notice, give notice in writing ("an Allocation Notice") to the Vendor and to each person to whom Sale Shares have been allocated (each a "Purchaser") specifying the name and address of each Purchaser, the number and class of Sale Shares agreed to be purchased by him and the aggregate price payable for them

11 14 Completion of a sale and purchase of Sale Shares pursuant to an Allocation Notice shall take place at the registered office of the Company at the time specified in the Allocation Notice when the Vendor shall, upon payment to him by a Purchaser of the Sale Price in respect of the Sale Shares allocated to that Purchaser, transfer those Sale Shares and deliver the relative Share certificate(s) to that Purchaser

11 15 The Vendor may, during the period of 120 business days commencing 20 business days after the expiry date of the Offer Notice, sell all or any of those Sale Shares for which an Allocation Notice has not been given by way of bona fide sale to the proposed transferee (if any) named in the Transfer Notice or, if none was so named, to any transferee at any price per Sale Share which is not less than the Sale Price, without any deduction, rebate or allowance to the proposed transferee, provided that

- 11 15.1 the Vendor may not transfer such Share to a transferee who is not at that date a Member unless such transferee is first approved in writing by the Board, and
- 11 15.2 if the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled, save with the written consent of the Board, to sell only some of the Sale Shares under this Article 11 15
- 11 16 If a Vendor fails for any reason (including death) to transfer any Sale Shares when required pursuant to this Article 11, the Board may authorise any Director (who shall be deemed to be irrevocably appointed as the attorney of the Vendor for the purpose) to execute each necessary transfer of such Sale Shares and deliver it on the Vendor's behalf. The Company may receive the purchase money for such Sale Shares from the Purchaser and shall upon receipt (subject, if necessary, to the transfer being duly stamped) register the Purchaser as the holder of such Sale Shares. The Company shall hold such purchase money in a separate bank account on trust for the Vendor but shall not be bound to earn or pay interest on any money so held. The Company's receipt for such purchase money shall be a good discharge to the Purchaser who shall not be bound to see to the application of it, and after the name of the Purchaser has been entered in the register of Members in purported exercise of the power conferred by this Article 11.16 the validity of the proceedings shall not be questioned by any person
- 11 17 Unless an Investor Majority shall decide to the contrary
- 11 17.1 any A Ordinary Share transferred or issued to a Member holding B Ordinary Shares shall (without further authority than is herein contained being necessary) forthwith on such transfer or issue be deemed to have been converted into a B Ordinary Share, and
- 11.17 2 any B Ordinary Share transferred or issued to a Member holding A Ordinary Shares shall (without further authority than is herein contained being necessary) forthwith on such transfer or issue be deemed to be converted into an A Ordinary Share
- 12 **COMPULSORY TRANSFERS**
- 12 1 In this Article 12, a "Transfer Event" occurs, in relation to any Member
- 12 1 1 if that Member being an individual
- 12 1 1 1 shall die; or
- 12 1.1.2 shall suffer from mental disorder and be admitted to hospital or shall become subject to any court order referred to in regulation 81(c) of Table A,
- and within the following three months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article,
- 12 1 2 if the Member being a body corporate



- 12 1 2 1 shall have a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets,
- 12 1.2 2 shall have an administrator appointed in relation to it, or
- 12 1 2 3 shall enter into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction), or
- 12 1 2.4 shall have any equivalent action in respect of it taken in any jurisdiction;

and within the following three months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article;

- 12 1 3 if a Member who is at any time a director or employee of a member of the Group shall cease to hold such office or employment and does not remain or thereupon immediately become a director or employee of another member of the Group and within the three months period immediately following such cessation the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article,
  - 12 1.4 if a Member or any Family Member or the trustees of any Family Trust of a Member shall attempt to deal with or dispose of any Share or any interest in it otherwise than in accordance with Articles 10, 11, 12, 13, or 14 and within the following three months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article, or
  - 12 1 5 if a Member shall for any reason not give a Transfer Notice in respect of any Shares or transfer any Shares (as the case may be) as required by Article 9 3, 10.1 3 3, 10 1 4 or 10 2 2 and within the following six months the Board shall resolve that such event is a Transfer Event in relation to that Member for the purposes of this Article
- 12 2 Upon the making of a notification or resolution under Article 12 1 that the same is a Transfer Event the Member in respect of whom it is a Transfer Event ("the Relevant Member") shall be deemed to have immediately given a Transfer Notice in respect of all the Shares then held by the Relevant Member ("a Deemed Transfer Notice"), which expression includes a Transfer Notice given under Article 11 A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares except for Shares which have then been validly transferred pursuant to that Transfer Notice For the purpose of this Article 12 2, any Shares received by a person directly or by means of a series of two or more permitted transfers from the Relevant Member and all Shares received by way of rights or on a capitalisation by such person as a result of holding those Shares shall also be treated as included within a Deemed Transfer Notice which such person shall be deemed to have served at the same time as the deemed service of the Deemed Transfer Notice served by the Relevant Member

- 12 3 Notwithstanding any other provision of these Articles, if the Board so resolves in relation to any Shares, any Member holding Shares in respect of which a Deemed Transfer Notice is deemed given shall not be entitled to exercise any voting rights at general meetings of the Company in respect of those Shares on and from the date of the relevant Deemed Transfer Notice until the entry in the registrar of members of the Company of another person as the holder of those Shares
- 12 4 The Shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 11 as if they were Sale Shares in respect of which a Transfer Notice had been given and treating as the Vendor the person who is deemed to have given the Deemed Transfer Notice save that
- 12 4 1 subject to Article 12 5, the Sale Price shall be a price per Sale Share agreed between the Vendor and the Board or, in default of agreement within 15 business days after the making of the notification or resolution under Article 12 1 that the same is a Transfer Event, the Market Value,
- 12 4 2 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable whether under Article 11 8 or otherwise,
- 12 4 3 the Vendor may retain any Sale Shares for which Purchasers are not found,
- 12 4 4 the Sale Shares shall be sold together with all rights, attaching thereto as at the date of the Transfer Event, including the right to any dividend declared or payable on those Shares after that date, and
- 12 4 5 Article 12 6 shall apply
- 12 5 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 12 1 3 shall
- 12 5 1 in the case where the Relevant Member is a Good Leaver be their Market Value and,
- 12 5 2 in the case where the Relevant Member is a Bad Leaver be:
- 12 5 2 1 until the second anniversary of the date of adoption of these Articles, the greater of the cost of subscription (including any premium paid on subscription) and £0 125 in each case per Sale Share, and
- 12 5 2 2 thereafter, the greater of the cost of subscription (including any premium paid on subscription) and 65% of the Market Value in each case per Sale Share
- 12 6 A dispute as to whether Article 12 5 1 or Article 12 5 2 applies to any Sale Shares shall not affect the validity of a Deemed Transfer Notice but any person who acquires Sale Shares ("the Purchaser") pursuant to a Deemed Transfer Notice while such a dispute is continuing shall pay to the Vendor their Market Value discounted in accordance with Article 12 5 2 (assuming, if not the case, that the Relevant Member is a Bad Leaver) and shall pay the amount of such discount to the Company The

Company shall hold that discount in a separate bank deposit account as trustee to pay it, and interest earned thereon, upon final determination of the dispute

12 6 1 to the Purchaser in the case of a Bad Leaver, and

12 6 2 to the Vendor in the case of a Good Leaver

Provided always that if the Vendor and Purchaser otherwise agree in writing and notify such agreement to the Company it shall hold and deal with the monies paid into such account and interest as such agreement and notice may specify even though the issue of whether the Relevant Member was a Good Leaver or a Bad Leaver has not been resolved

12 7 For the purposes of Article 12 1 3, the date upon which a Member ceases to hold office as an employee as described therein shall

12 7 1 where the employer terminates or purports to terminate a contract of employment by giving notice to the employee of the termination of the employment, whether or not the same constitutes a wrongful or unfair dismissal, be the date of that notice or, if later, the date (if any) for the termination expressly stated in such notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination),

12 7 2 where the employee terminates or purports to terminate a contract of employment by giving notice to the employer of the termination of the employment (whether or not he is lawfully able so to do), be the date of that notice or, if later, the date (if any) for the termination expressly stated in such notice;

12 7 3 subject to Articles 12 7 1 and 12 7 2 where an employer or employee wrongfully repudiates the contract of employment and the other respectively accepts that the contract of employment has been terminated, be the date of such acceptance by the employee or employer respectively,

12 7 4 where a contract of employment is terminated under the doctrine of frustration, be the date of the frustrating event, and

12 7 5 where a contract of employment is terminated for any reason other than in the circumstances set out in Articles 12.7 1 to 12.7 4 above, be the date on which the action or event giving rise to the termination occurs

12 8 Once a Deemed Transfer Notice shall under these Articles be deemed to have been served in respect of any Share then, save as permitted by Article 10 3 no permitted transfer under Article 10 may be made in respect of such Share unless and until an Offer Notice shall have been served in respect of such Share and the period of allocation permitted under Article 11 shall have expired without such allocation being made

### 13 MAJORITY SHARE SALE OPTION

- 13 1 Save in the case of transfer(s) in accordance with Articles 10 1 and Article 10 2 if any one or more Members being the registered holders of greater than 90% by nominal value of the B Ordinary Shares then in issue (together "the Selling Shareholders") wish to transfer all their Equity Shares ("the Relevant Shares") to a bona fide purchaser for value (whether or not already a Member) (the "Purchaser"), the Selling Shareholders shall have the option (the "Majority Share Sale Option") to require all other registered holders of Shares and all persons who will or may become Members by virtue of exercising rights over Shares as a result of the exercise of the Majority Share Sale Option (together "the Remaining Shareholders") to transfer all their Shares to the Purchaser pursuant to this Article 13
- 13 2 The Selling Shareholders may exercise the Majority Share Sale Option by giving notice to that effect ("a Majority Share Sale Notice") to the Remaining Shareholders at any time before the registration of the transfer of the Relevant Shares. A Majority Share Sale Notice shall specify that the Remaining Shareholders are required to transfer all their Shares ("the Remaining Shares") pursuant to Article 13 1 to the Purchaser, the price at which the Remaining Shares are to be transferred (determined in accordance with Article 13 4), the proposed date of transfer, the identity of the Purchaser and that the Remaining Shares are to be transferred with full title guarantee to the Purchaser or whomsoever the Purchaser shall direct in accordance with this Article 13 but upon no other terms, warranties or conditions
- 13 3 A Majority Share Sale Notice is irrevocable but the Majority Share Sale Notice and all obligations thereunder will lapse if for any reason the Relevant Shares are not transferred by the Selling Shareholders to the Purchaser within 60 days after the date of the Majority Share Sale Notice.
- 13 4 The Remaining Shareholders shall be obliged to sell the Remaining Shares at the price specified in the Majority Share Sale Notice which shall attribute an equal value to all Equity Shares (including the Relevant Shares)
- 13 5 Completion of the sale of the Remaining Shares shall take place on the same date as the date proposed for completion of the sale of the Relevant Shares unless
- 13 5 1 all of the Remaining Shareholders consent to completion on an alternative date as proposed by the Selling Shareholders, or
- 13 5 2 that date is less than 10 business days after the Majority Share Sale Notice, where it shall be deferred until the 10th business day after the Majority Share Sale Notice
- 13 6 Each of the Remaining Shareholders shall on service of the Majority Share Sale Notice be deemed to have irrevocably appointed each of the Selling Shareholders severally to be his attorney to execute any stock transfer and to do such other things as may be necessary or desirable to accept, transfer and complete the sale of the Remaining Shares pursuant to this Article 13

13 7 The rights of pre-emption and other restrictions contained in these Articles shall not apply on any sale and transfer of Shares to the Purchaser named in a Majority Share Sale Notice.

13 8 The provisions of this Article 13 shall prevail over any contrary provisions of these Articles

#### 14 TAG ALONG

14 1 Subject to Article 13 and save in the case of transfer(s) in accordance with Articles 10 1 and 10 2 but notwithstanding any other provision in these Articles no sale or other disposition of any Share (the "Specified Shares") by a Member shall have any effect if it would result in any person (whether or not already a Member) ("Relevant Person") together with persons acting in concert or connected with him becoming the registered holders of greater than 35 per cent in nominal value of the Equity Shares then in issue unless before the transfer is lodged for registration the Relevant Person has made a bona fide offer in accordance with these Articles to purchase at the specified price (defined in Article 14 3) all the Shares held by Members who are not acting in concert or otherwise connected with the Relevant Person (and all persons who will or may become Members by virtue of exercising rights over Shares as a result of such bona fide offer being made) ("the Uncommitted Shares")

14 2 Subject to Article 14 5 an offer made under Article 14 1 shall be in writing, given in accordance with Article 23, open for acceptance for at least 15 business days, and shall be deemed to be rejected by any Member who has not accepted it in accordance with its terms within the time period prescribed for acceptance and the consideration thereunder shall be settled in full on completion of the purchase and within 30 days of the date of the offer

14 3 For the purposes of Article 14 1

14 3 1 the expressions "transfer", "transferor" and "transferee" include respectively the renunciation of a renounceable letter of allotment, and any renouncer and renounee of such letter of allotment, and

14 3 2 the expression "specified price" means in the case of Uncommitted Shares which are Equity Shares a price per Share at least equal to the highest price paid or payable by the Relevant Person or persons acting in concert with him or connected with him for any Equity Shares within the last six months (including to avoid doubt the Specified Shares) plus an amount equal to the relevant proportion of any other consideration (in cash or otherwise) received or receivable by the holders of the Specified 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 payable for the Specified Shares provided always that an equal value shall be attributed to all Equity Shares including the Specified Shares

14 4 If any part of the specified price is payable otherwise than in cash any Member may require as a condition of his acceptance of the Offer, to receive in cash on transfer all or any of the price offered for his Uncommitted Shares

- 14 5 If the specified price or its cash equivalent cannot be agreed within 15 business days of the proposed sale or transfer referred to in Article 14 1, it may be referred to the Valuers by any Member in which case the price so determined shall be the specified price in the case of the Uncommitted Shares held by such Member(s) who have made such referral. The Relevant Person shall be deemed on the date of such determination to have made an offer to such Member(s) in respect of their Uncommitted Shares on the same terms mutatis mutandis as provided for in Article 14 2

## 15 PROHIBITED TRANSFERS

Notwithstanding any other provision of these Articles, no transfer of any Share shall be registered if it is to a minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

## 16 GENERAL MEETINGS

- 16 1 Notice of a general meeting shall be called by at least fourteen clear days' notice and notice of a general meeting need not be given to any Director in that capacity. Regulation 38 shall be modified accordingly.

## 17 PROCEEDINGS AT GENERAL MEETINGS

- 17 1 No business shall be transacted at any general meeting unless a quorum is present. Two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation, shall be a quorum.
- 17 2 Any Member having the right to vote at the meeting may demand a poll at a general meeting and regulation 46 shall be modified accordingly.
- 17 3 The Chairman of the meeting shall be entitled to exercise any second or casting vote at any general meeting or class meeting of the holders of any class of Shares.
- 17 4 A Director shall not be required to hold any Share qualifications, but nevertheless shall be entitled to attend and speak at any general meeting and at any separate class meeting of the holders of any class of Shares.
- 17 5 If a meeting is adjourned under regulation 41 because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting, the Members present (in person or by proxy) shall from a quorum, and regulation 41 shall be modified accordingly.
- 17 6 Regulation 62 shall be modified by the deletion in paragraph (a) of the words "deposited at" and by the substitution for them of the words "left at or sent by post or by facsimile transmission to" and by the insertion at the end of the penultimate sentence of the regulation after the word "invalid" of the words "unless a majority of the Board resolve otherwise".
- 17 7 Regulation 54 shall not apply.

## 18 **NUMBER OF DIRECTORS**

The number of Directors shall not be less than two and there shall be no maximum number Regulation 64 shall not apply

## 19 **ALTERNATE DIRECTORS**

19 1 Regulation 66 shall be amended by the insertion between the words "shall" and "be" of the words "(subject to his giving the Company an address within the United Kingdom at which notice may be served upon him)"

19 2 A person who holds office only as an alternate Director shall, if his appointor is not present, be counted in the quorum

19 3 If an alternate Director is himself a Director or attends any meeting as an alternate Director for more than one Director, his voting rights shall be cumulative but he shall only be counted once in deciding whether a quorum is present

## 20 **PROCEEDINGS OF DIRECTORS**

20 1 The quorum for the transaction of business of the Board shall be two Directors

20 2 Any Director or his alternate may validly participate in a meeting of the Board or a committee of the Board by conference telephone or other form of communication equipment if all persons participating in the meeting are able to hear and speak to each other throughout the meeting A person so participating shall be deemed to be present in person at the meeting and shall accordingly be counted in a quorum and be entitled to vote Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no group which is larger than any other group, where the Chairman of the meeting then is

20 3 The Chairman of the meeting shall have a second or casting vote at a meeting of the Board

20 4 A Director who to his knowledge is in any way, whether directly or indirectly, interested in a contract or proposed contract (within the meaning of section 317 of the Act) with the Company shall declare the nature of his interest at a meeting of the Board or of any committee of the Board in accordance with that section Subject where applicable to such disclosure a Director may vote at any such meeting on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty which is material and which conflicts or may conflict with the interests of the Company provided always that a Director on the Remuneration Committee may not at a meeting of such Committee vote on any item concerning his own office, remuneration or benefits or in which he has a direct interest nor be counted in determining the quorum on such matter Regulations 94 and 95 shall not apply

## 21 **RETIREMENT OF DIRECTORS**

21 1 Directors shall not be required to retire by rotation Regulations 67 and 78 shall be modified accordingly Regulations 73 to 77, the second and third sentences of regulation 79, regulation 80 and the last sentence of regulation 84 shall not apply

21 2 The office of a director shall be vacated if both

21 2 1 (being an executive director of the Company or any subsidiary) he ceases to be an employee within the meaning of Article 12 7 of the Company or any subsidiary without being appointed or continuing to be an employee of another member of the Group; and

21 2.2 the Board so requires

Regulation 81 shall be extended accordingly

## 22 **BORROWING POWERS**

22 1 The Directors shall restrict Borrowings and procure the exercise of all voting and other rights exercisable by the Company so as to secure that the aggregate amount for the time being outstanding of all Group Borrowings shall not at any time exceed £30,000,000 (Thirty million pounds sterling).

22 2 No debt incurred or security given in respect of Borrowings or to be taken into account as Borrowings in excess of the limit in Article 22 1 shall be invalid or ineffectual except in the case of express notice to the lender or the recipient of the security at the time when the debt was incurred or security given that the limit in Article 22 1 had been or was thereby exceeded, but no lender or other person dealing with the Company shall be concerned to see or enquire whether such limit is observed

22 3 When the amount of Borrowings required to be taken into account for the purposes of this Article 22 for any particular day is being ascertained, any of such moneys denominated or repayable in a currency other than sterling shall be converted for the purpose of calculating the sterling equivalent either

22 3.1 at the rate of exchange prevailing at the close of business in London on that day, or

22 3 2 where the repayment of such moneys is expressly covered by a forward purchase contract, currency option, back to back loan, swap or other arrangement taken out or entered into to reduce the risk associated with fluctuations in exchange rates, at the rate of exchange specified in that document.

22 4 A report or certificate of the Auditors as to the aggregate amount of Group Borrowings falling to be taken into account for the purposes of or in compliance with this Article shall be conclusive and binding on all concerned

## 23 **NOTICES**

23 1 Any notice to be given to the Company pursuant to these Articles shall be sent to the registered office of the Company or presented at a meeting of the Board

23 2 Any notice to be given pursuant to these Articles may be given by facsimile transmission to the facsimile number maintained at the relevant address of the



addressee Such a notice shall be conclusively deemed to have been properly given at the time shown on the transmission report received by the sender

- 23 3 Where a notice is sent by first class post, the notice shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted Where a notice is sent by electronic communication, the notice shall be deemed to have been given at the expiration of 24 hours after the time of transmission Regulation 115 of Table A shall be amended accordingly

## 24 INDEMNITY

- 24 1 Subject to the provisions of the Act, but without prejudice to any other indemnity to which the person concerned may otherwise be entitled, every Director, alternate Director, secretary or other officer of the Company shall be entitled to be indemnified by the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation thereto Regulation 118 shall be extended accordingly

- 24 2 The Directors may exercise all the powers of the Company to purchase and maintain for every Director or other officer insurance against any liability for negligence, default, breach of duty or breach of trust or any other liability which may be lawfully insured against

## 25 SHARE CERTIFICATES ETC

The Company may execute any Share certificate, warrant or other document creating or evidencing any security allotted by the Company or any right or option to subscribe granted by the Company under the hand of two Directors or any one Director and the Company Secretary Regulation 6 of Table A shall be extended accordingly