

No 04035248

THE COMPANIES ACT 2006

PUBLIC COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

of

RIVER AND MERCANTILE GROUP PLC¹

(Adopted by special resolution passed on 28 May 2014)

¹ The company re-registered as a public limited company on 2 June 2014

MONDAY



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02/06/2014
COMPANIES HOUSE

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1.1 Definitions

"A Ordinary Share" means an A ordinary share of 0.01p in the capital of the Company,

"A Target Value" means the relevant Target IRR in relation to the A Performance Shares,

"Adjusted Company Share Price " means the Company Share Price calculated as at the previous 31 December adjusted to reflect the difference between (i) the internal valuation placed upon the Company, for the purposes of calculating such Company Share Price, and (ii), the fair market value of the Company, as at the Valuation Date to which Article 9 2 2(A) applies, as determined by PSG (acting reasonably)

"Adjusted Company Share Price 2" means the Company Share Price calculated as at the previous 31 December adjusted to reflect the difference between (i) the internal valuation placed upon the Company, for the purposes of calculating such Company Share Price, and (ii) the fair market value of the Company as determined by PSG (acting reasonably) by reference to the Purchase Consideration,

"Articles" means these articles of association, as altered from time to time,

"B Performance Share" means a B performance share of 1p in the capital of the Company,

"Beneficial Holders" means those persons who hold beneficial title to Shares, legal title to which is held by the EBT Trustee or the PSFM Trustee,

"Board" the board of directors of the Company, as from time to time constituted,

"Business" means the business activities carried on by the Company and its subsidiaries and which include investment consultancy and asset management and database provision and analytics,

"Business Day" means Monday to Friday except any day which is generally recognised as a public holiday in England,

"C Performance Share" means a C performance share of 1p in the capital of the Company,

"C Target Value" means the relevant Target IRR in relation to the C Performance Shares,

"Calling Shareholder" has the meaning given to it in Article 4.4,

"Cash Receipts" means, in respect of a Valuation, (i) the amount of the Operating Cashflows and (ii) in the event that any assets of any member of the Sub-Group have been transferred out of the Sub-Group for an amount which is less than the fair market value of that asset during the period commencing on the relevant Commencement Date and ending on the relevant Valuation Date, a sum equal to the difference between the transfer price of the asset in question and its fair market value,

"Cessation Date" means the date upon which a person becomes a Departing Employee,

"Change of Control" in relation to a company means a person, not being a Holding Company of such company at the date of these Articles and not being a Subsidiary of PSG at the relevant time, becoming a Holding Company of such company,

"clear days" in relation to the period of a notice means that period excluding the day when the notice is given or deemed to be given and the day for which it is given or on which it is to take effect,

"Commencement Date" means in relation to a particular class of Performance Share, the date specified as the Commencement Date for that class of share, and which shall be 1 January 2011 in the case of the A Performance Shares and the B Performance Shares, 1 January 2012 in the case of the C Performance Shares and 1 January 2013 in the case of the D Performance Shares and the E Performance Shares,

"Commencement Value" means in relation to a particular class of Performance Share the value of the operating assets of the Business (its enterprise value) on the Commencement Date for that class of share, and which shall be £32,300,000 in the case of the A Performance Shares and the B Performance Shares, £25,150,000 in the case of the C Performance Shares and £46,450,000 in the case of the D Performance Shares and the E Performance Shares,

"company" includes any body corporate,

"Company Share Price" means an amount equal to the value of the Voting Shares such amount to be determined by reference to the order of distribution set out in Article 8.1 (disregarding any arrears and accruals of any dividends on such shares and further disregarding any restrictions on the right to receive dividends attaching to the B Ordinary Shares or any enhanced rights to receive dividends attaching to the A Ordinary Shares), expressed as a price per Voting Share,

"Company Value" has the meaning given to that expression in Article 9 3,

"Completion" means completion of the acquisition by the Company of River & Mercantile Asset Management LLP under the merger agreement dated 14 February 2014 between, amongst others, the Company, PSG and Pacific,

"Controlling Interest" means Voting Shares in the capital of the Company (or the right to exercise the votes attaching to such shares) which constitute in aggregate 51 per cent or more of the Voting Shares of the Company from time to time in issue,

"D Performance Share" means a D performance share of 1p in the capital of the Company,

"D Target Value" means the relevant Target IRR in relation to the D Performance Shares,

"Deferred Ordinary Share" means a deferred ordinary share of 0.01p in the capital of the Company,

"Deferred Performance Share" means a deferred performance share of 1p in the capital of the Company,

"Deferred Shares" means the Deferred Performance Shares and the Deferred Ordinary Shares,

"Departing Employee" has the meaning given to it in Article 4 16;

"Departing Employee's Shares" means any Shares held by

- (a) a Departing Employee,
- (b) the trustees for the time being of any Departing Employee's Family Trust,
- (c) the Trustees on behalf of the Departing Employee, and
- (d) any nominee of any such person,

excluding in all cases, Purchased Equity,

"EBT Trustee" means the trustee from time to time of the PSG Limited Employee Benefit Trust,

"electronic form" has the same meaning as in the Act,

"electronic means" has the same meaning as in the Act,

"E Performance Share" means an E performance share of 1p in the capital of the Company,

"E Target Value" means the relevant Target IRR in relation to the E Performance Shares,

"executed" includes any mode of execution,

"Fair Market Value" means the fair market value of all the Voting Shares as determined by PSG (acting reasonably) and assuming (i) an arm's length sale between a willing seller and a willing buyer and that any restrictions on the right to receive dividends attaching to the B Ordinary Shares or any enhanced rights to receive dividends attaching to the A Ordinary Shares are deemed not to exist, and (ii) that any Performance Shares which are then in issue are deemed not to exist,

"Family Trust" means a trust under which no immediate beneficial interest in the Shares in question is for the time being or may in the future be vested in any

person other than a Shareholder and no control over the voting rights conferred by such shares is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees of the relevant Shareholder,

"Financial Year" means each period for which the Company is required to produce accounts,

"Group" means any subsidiary undertaking or parent undertaking, and includes any subsidiary undertaking of any such parent undertaking,

"Holding Company" means a holding company as defined in section 1159 of the Act,

"ICG" means Intermediate Capital Group plc (No 02234775) whose registered office is at Juxon House, 100 St Paul's Churchyard, London EC4M 8BU,

"Liquidity Event" means (i) a Listing, or (ii) a transaction as a result of which PSG (or where PSG is no longer the Holding Company of the Company, any Holding Company of the Company), holds less than 75% of the Voting Shares,

"Listing" means the admission of all or any of the shares in the capital of the Company or the capital of PSG (or where PSG is no longer the Holding Company of the Company, any Holding Company of the Company), or securities representing such shares, to any recognised investment exchange or designated investment exchange (as such terms are defined in the Financial Conduct Authority Handbook or other rules and guidance from time to time of the Financial Conduct Authority) or the Alternative Investment Market,

"Managers" means those persons named in schedule 1 to the Shareholders' Agreement and any other person who is designated as a Manager in a deed of adherence to the Shareholders' Agreement,

"Market Value" means the value of each Share determined in accordance with Article 4 21,

"Model Articles" means the model articles for private companies limited by shares contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the date of adoption of these Articles,

"office" means the registered office of the Company,

"Operating Cashflows" means (i) the increase in the value of cash assets, (ii) less the net increase in loans advanced by any member of the PSG Group to the Company or its subsidiaries, (iii) less all sums paid in cash towards Voting Shares by any member of the PSG Group, (iv) plus any payment of dividends or repurchase of its Voting Shares by the Company, as shown in the audited consolidated financial statements of the Company for each completed Financial Year during the period commencing on the relevant Commencement Date and ending on the Valuation Date (where such Valuation Date is the last day of a Financial Year) or if the Valuation Date is not the last day of a Financial Year, as shown in the audited consolidated financial statements of the Company and the other members of the Sub-Group for each completed Financial Year after the relevant Commencement Date and the consolidated management accounts of the Company and the other members of the Sub-Group for the period after the last completed Financial Year until the end of the month prior to the Valuation Date in question,

"Ordinary Share" means an ordinary share of 0.01p in the capital of the Company,

"Ordinary Shareholder" means a registered holder of an Ordinary Share,

"Pacific" means Beckwith Investment Management Limited, a company incorporated in England and Wales with company number 01678485 and whose registered office is at 124 Sloane Street, London SW1X 9BW,

"Pacific Parties" means Pacific Investments Management Limited, Sir John Beckwith, Pacific and the trustees of any Family Trust of Sir John Beckwith and any nominee of any such person,

"Performance Share" means a performance share of 1p in the capital of the Company of, unless the context requires otherwise, whatever class,

"Performance Shareholder" means a registered holder of a Performance Share,

"Permitted Transfer" means a transfer of shares in accordance with Articles 4.2 or 4.3,

"PSG" means Punter Southall Group Limited, a company incorporated in England and Wales with company number 04096788 and whose registered office is at 11 Strand, London EC2N 5HR,

"PSFM Trustee" means PSFM Trustees Limited, a company incorporated in England and Wales with company number 05618387 and whose registered office is at 11 Strand, London EC2N 5HR,

"PSG Group" means PSG and its Subsidiaries from time to time,

"PSG Shares" means ordinary shares in the capital of PSG,

"Purchase Consideration" means a) if the relevant Change of Control of the Company is effected through a sale, the aggregate cash consideration attributable to the Voting Shares sold pursuant to the transaction effecting the relevant Change of Control of the Company provided that if a portion less than 100 per cent of all the Voting Shares in issue at the relevant time are sold pursuant to such transaction, then the value of the aggregate consideration received or due to be received for such portion shall be increased pro rata to the total number of Voting Shares, b) if the relevant Change of Control of the Company is effected by means of a subscription for new shares, the price to be paid per share multiplied by the number of Voting Shares in issue immediately prior to such subscription, in any such case assuming that any Performance Shares then in issue are deemed not to exist,

"Purchased Equity" has the meaning given to it in the Shareholders' Agreement,

"Return of Capital" means a return of assets on a winding-up, reduction of capital or otherwise,

"Sale" means a) the sale of a Controlling Interest in the Company or b) the sale or other disposal of the whole or substantially the whole of the business or assets of the Company and its subsidiaries taken together, to a single buyer or to one or more buyers, whether as part of a single transaction or a series of related transactions, in any such case to a bona fide third party purchaser not being a member of the Group and where such transaction does not take place as part of a reorganisation or amalgamation of the Group,

"secretary" means the secretary of the Company or any other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary,

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

"Shares" means the A Ordinary Shares, the B Ordinary Shares, the Ordinary Shares and the Performance Shares,

"Shareholders' Agreement" means the shareholders agreement between the Shareholders in the Company and the Company dated 27 March 2014,

"Sub-Group" means the Company and its Subsidiaries (if any),

"Subsidiary" or **"subsidiary"** means a subsidiary as defined in section 1159 of the Act,

"Tagging Shareholder" has the meaning given to it in Article 4 14,

"Target Value" means, in respect of a Valuation, the value that needs to be attributed to the Voting Shares as at the relevant Valuation Date, where the relevant Target IRR is treated as the annual percentage by which the relevant Commencement Value and Additional Investment (expressed as negative numbers) and the Cash Receipts and the Target Value (both expressed as positive numbers) are discounted back (based on a daily computation) from the date of payment or receipt (as the case may be) or, in the case of the Target Value, from the relevant Valuation Date, to the relevant Commencement Date to arrive at an aggregate net present value at the relevant Commencement Date of nil,

"Target IRR" means in relation to a particular class of Performance Share the Target IRR for that class of share, and which shall be 12 per cent in relation to the A Performance Shares, the B Performance Shares, the C Performance Shares and the D Performance Shares and which shall be 20 per cent in relation to the E Performance Shares,

"Trustees" means the EBT Trustee and the PSFM Trustee,

"the Act" means, subject to Article 1 3, the Companies Act 2006,

"the seal" means the common seal of the Company,

"Valuation" means a valuation of Voting Shares on a relevant Valuation Date in accordance with Article 9,

"Valuation Date" has the meaning given to that expression in Article 9 2,

"Voting Shares" means an A Ordinary Share, a B Ordinary Share or an Ordinary Share, and

"Voting Shareholder" means a registered holder of a Voting Share

1 2 Same meanings as in the Act

Save as provided in these Articles and unless the context otherwise requires, words or expressions contained in these Articles bear the same meaning as in the Act

1 3 Statutory modification

In these Articles, unless expressly provided to the contrary, a reference to any statute or provision of a statute includes a reference to any statutory modification

or re-enactment of it and to any subordinate legislation made under it in each case for the time being in force

1 4 Number, gender and person

In these Articles, unless the context otherwise requires

1 4 1 words in the singular include the plural, and vice versa,

1 4 2 words importing any gender include all genders, and

1 4 3 a reference to a person includes a reference to a company and to an unincorporated body of persons

1 5 Interpretation

In these Articles

1 5 1 references to writing include references to typewriting, printing, lithography, photography and any other modes of representing or reproducing words in a legible and non-transitory form and documents and information sent or supplied in electronic form are "in writing" for the purpose of these Articles,

1 5 2 references to "other" and "otherwise" shall not be construed eiusdem generis where a wider construction is possible,

1 5 3 references to a power are to a power of any kind, whether administrative, discretionary or otherwise, and

1 5 4 references to a committee of the directors are to a committee established in accordance with these Articles, whether or not comprised wholly of directors

1 6 Headings

Headings are inserted for convenience only and do not affect the construction of these Articles

1 7 Model Articles not to apply

The Model Articles shall not apply to the Company

2. NOT USED

3. SHARE CAPITAL

Issue of shares

3 1 Subject to the provisions of the Act and without prejudice to any rights attached to any existing shares, any share may be issued with such rights or restrictions as the Board may determine

- 3 2 Subject to Article 3 3, before issuing any shares or other securities carrying rights to subscribe for or convertible into shares ("**New Securities**") wholly for cash, the Company shall offer such New Securities to every Shareholder (the "**Offer**") The Offer shall be made by notice in writing stating the number or amount of New Securities being offered, the price at which they are being offered (the "**Offer Price**") and any other terms of the Offer The Offer shall remain open for the period (being not less than 14 days) specified in the notice The Company shall issue the New Securities to those Shareholders who apply for them and (in the case of competition) as far as practicable in proportion to the number of shares held by them respectively, but so that an applicant shall not be allotted or granted more New Securities than the number for which he has applied Any New Securities not taken up under the Offer may, at any time up to three months after the expiry of the Offer, be issued or granted by the Company at such price (being not less than the Offer Price) on such terms (being no less favourable to the Company than the terms of the Offer) in such manner and to such persons as the Board determines
- 3 3 Article 3 2 shall not apply to
- 3 3 1 any issue of shares made as part of a Listing, or
- 3 3 2 an issue of shares arising upon the exercise of rights to subscribe for, or convert securities into those shares

Trusts etc. interests not recognised

- 3 4 Except as required by law, no person shall be recognised by the Company as holding any share upon any trust and (except as otherwise provided by these Articles or by law) the Company shall not be bound by or recognise any interest in any share except an absolute right to the entirety thereof in the holder

4. TRANSFER OF SHARES

Permitted Transfers

- 4 1 Subject to Articles 4 2 and 4 3 and Articles 4 16 to 4 25 and without prejudice to the rights of a Calling Shareholder or a Tagging Shareholder in Articles 4 4 to 4 15, no Voting Shares shall be transferred without the prior written consent of PSG and Pacific other than in connection with a Permitted Transfer
- 4 2 Shares may be transferred by a body corporate (the "**Original Shareholder**") to a wholly-owned subsidiary of the Original Shareholder provided that immediately before the transferee ceases to be in such relationship with the Original Shareholder the shares in question shall be transferred to the Original Shareholder
- 4 3 A Shareholder may transfer shares to a nominee or trustee for that Shareholder including trustees of a Family Trust and any nominee or trustee may transfer shares to any other nominee or trustee or to the beneficiary provided that no beneficial interest in the shares passes by reason of any such transfer

Drag Rights

- 4 4 If both PSG and Pacific (the "**Calling Shareholders**") wish to transfer some or all of their Voting Shares to a person which is not a wholly-owned subsidiary of either of them, they shall have the right to require all the other Shareholders or holders of any options or other rights to subscribe (the "**Called Shareholders**") to transfer to the proposed transferee (the "**Transferee**") a proportion of their Voting Shares and options or other rights to subscribe (including any acquired by them after service of the Drag Notice (as defined below) as is equal to the proportion that the aggregate number of Voting Shares that the Calling Shareholders are proposing to transfer represents of the aggregate number of Voting Shares held by the Calling Shareholders
- 4 5 The transfer shall be on the same terms and conditions (which may include any number of conditions precedent and shall include any representations and warranties) and the same consideration per Voting Share (which need not be cash consideration) as shall have been agreed between the Calling Shareholders and the Transferee in respect of the Voting Shares proposed to be transferred to the Transferee by the Calling Shareholders
- 4 6 The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect (the "**Drag Notice**") accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer
- 4 7 The Drag Notice shall contain the following information
- 4 7 1 the identity of the Transferee,
 - 4 7 2 the number of Voting Shares proposed to be transferred by the Calling Shareholders and the proportion of the aggregate number of Voting Shares held by the Calling Shareholders that such number of Voting Shares represents, and
 - 4 7 3 full details of the terms and conditions (including terms relating to consideration (including amount and nature and timing of payment of consideration), time of completion, conditions precedent and representations and warranties) agreed between the Calling Shareholders and the Transferee
- 4 8 The Drag Notice shall also set out a date by which the Called Shareholders must transfer their Voting Shares to the Transferee, or the basis by which such date will be set once the conditions precedent set out in or referred to in the Drag Notice are satisfied or waived, which date shall not be before the day after the latest of
- 4 8 1 the date of service of the Drag Notice,
 - 4 8 2 the date on which all the conditions precedent set out or referred to in the Drag Notice are satisfied or waived, and
 - 4 8 3 the date on which the shares to be transferred are allotted by the Company

4 9 Called Shareholders shall not be obliged to transfer any Voting Shares or options or other rights to subscribe to the Transferee unless prior to or simultaneously with such transfer the Calling Shareholders have transferred or transfer the relevant number of their Voting Shares to the Transferee

4 10 If a Called Shareholder defaults in transferring its Voting Shares in accordance with Articles 4 4 to 4 9 (inclusive), Article 4 29 shall apply to the transfer of such shares

Tag Along Rights

4 11 Subject to Article 4 12 if, either PSG or any of the Pacific Parties (the "**Selling Shareholder(s)**") at any time propose to sell some or all of their Voting Shares to a person which is not (a) a wholly owned subsidiary, or (b) in the case of a Pacific Party, another Pacific Party (the "**Tag Purchaser**"), it shall not complete such sale unless it shall have procured that the Tag Purchaser shall have first offered, by written notice to all the other Shareholders (the "**Tag-along Notice**"), to buy from each Shareholder the same proportion of their Voting Shares and any options or other rights to subscribe as the Selling Shareholder(s) is or are proposing to sell and on terms that such offer (the "**Tag-along Offer**") shall

4 11 1 be irrevocable and unconditional (except for any conditions which apply to the proposed transfer of the Selling Shareholder(s)' shares),

4 11 2 be open for acceptance by each Shareholder in respect of any shares held by it,

4 11 3 be on the same terms and conditions (which may include any conditions precedent and shall include any representations and warranties and the same consideration per Voting Share (which need not be cash consideration) as shall have been agreed between the Selling Shareholder(s) and the Tag Purchaser in respect of the Voting Shares proposed to be transferred to the Tag Purchaser by the Selling Shareholder(s), and

4 11 4 be open for acceptance by the Shareholders during a period of ten Business Days after receipt of such Tag-along Notice (the "**Tag-along Offer Period**")

4 12 If PSG is not a Selling Shareholder, the Tag Purchaser shall not be entitled to give a Tag-along Notice or make a Tag-along Offer to any holder of B Ordinary Shares and no holder of B Ordinary Shares shall be a Tagging Shareholder unless PSG agrees otherwise by notice in writing to the relevant holder(s) of B Ordinary Shares

4 13 The Tag-along Notice served on the Shareholders by the Tag Purchaser shall contain the following information

4 13 1 the identity of the Tag Purchaser,

4 13 2 the number of Voting Shares proposed to be transferred by the Selling Shareholder(s) and the proportion of Voting Shares held by the Selling Shareholder(s) that such number of shares represents,

4 13 3 full details of the terms and conditions (including terms relating to consideration (including amount and nature and timing of payment of consideration), time of completion, conditions precedent and

representations and warranties) agreed between the Selling Shareholder(s) and the Tag Purchaser, and

4 13 4 the Tag-along Offer Period

4 14 If the Tag-along Offer is accepted by any Shareholders (the **"Tagging Shareholders"**), the sale shall be conditional upon completion of the Selling Shareholder(s)' sale to the Tag Purchaser and shall be completed at the same time and place as that sale (not being less than 10 Business Days nor more than 60 Business Days after the expiry of the Tag-along Offer Period), whereupon the Tag Purchaser shall pay the consideration due to any Tagging Shareholders in respect of those shares in respect of which they have accepted the Tag-along Offer (the **"Tagged Shares"**)

4 15 The time periods in Articles 4 11 to 4 14 (inclusive) shall be increased to include the timing accommodation required in order to obtain any regulatory or other consents to the transfers contemplated by this clause

Compulsory Transfers

4 16 If a Manager or a Beneficial Holder ceases to be an employee of a Group Member and a member of a Group Member that is a limited liability partnership (a **"Departing Employee"**), then

4 16 1 if he has so ceased for a Good Reason, then the Board shall be entitled (but not obliged), within 20 Business Days of the Cessation Date, by notice in writing to the Departing Employee and, if the Departing Employee is a Beneficial Holder, to the Trustees, to require the Departing Employee and/ or the Trustees, as applicable, to transfer or procure the transfer of the Departing Employee's Shares (a **"Compulsory Transfer Notice"**),

4 16 2 if he has so ceased for a Bad Reason, then

(A) if the Cessation Date falls before the fourth anniversary of Completion, such number of the Departing Employee's Shares shall be automatically converted to Deferred Ordinary Shares as will result in the Departing Employee holding (legally or beneficially) such number of shares as to have an aggregate Market Value equal to

- (1) if he leaves between Completion and the first anniversary of Completion the lower of 50 per cent of the aggregate Cost of the Departing Employee's Shares (excluding Purchased Equity) and 50 per cent of the aggregate Market Value of the Departing Employee's Shares (excluding Purchased Equity) , and
- (2) if he leaves on or after the first anniversary and before the second anniversary of Completion the lower of 75 per cent of the Shares of the aggregate Cost of the Departing Employee's Shares and 75 per cent of the aggregate Market Value of the Departing Employee's Shares, and
- (3) if he leaves on or after the second anniversary of Completion and before the fourth anniversary of Completion the lower of the aggregate Cost of the

Departing Employee's Shares and the aggregate Market Value of the Departing Employee's Shares, and

- (B) in respect of the Departing Employee's Shares which have not been converted to Deferred Shares pursuant to Article 4 16 2 (the "**Remaining Shares**") the Board shall be entitled (but not obliged) to serve a Compulsory Transfer Notice on the Departing Employee within 20 Business Days of the Cessation Date and, if the Departing Employee is a Beneficial Holder, on the Trustees, to require the Departing Employee and/ or the Trustees to transfer or procure the transfer of the Remaining Shares
- 4 17 If the Board serves a Compulsory Transfer Notice on a Departing Employee and/or the Trustees then the Departing Employee's Shares shall be transferred to such person or persons as the Board directs in the Compulsory Transfer Notice at Market Value, provided that PSG and Pacific have consented in writing to the identity of the relevant transferee(s)
- 4 18 If the relevant Shareholder(s) make(s) default in transferring the shares required to be transferred pursuant to this Article 4 18, Article 4 29 shall apply
- 4 19 In determining the Market Value of the shares, the Company may propose to the Departing Employee a price per share which if accepted by the Departing Employee shall be deemed to be the Market Value
- 4 20 In the absence of an agreement as to the Market Value of the shares, the Market Value of the shares shall be determined by an independent expert as the relevant transferor and the Board may agree in writing or failing such agreement, as shall be appointed on the application of the Board by the President of the Institute of Chartered Accountants in England and Wales for the time being (the "**Independent Expert**") in accordance with Articles 4 21 and 4 22
- 4 21 Subject to Article 4 19, Market Value of the shares shall be the market value of the shares as between a willing buyer and a willing seller as certified by the Independent Expert acting as expert and not arbitrator and whose determination shall be final and binding on the parties concerned In arriving at the Market Value of the shares, the Independent Expert shall be instructed to
- 4 21 1 determine the "**Enterprise Value**" which shall mean the price obtainable on a sale of all of the issued shares of the Company of whatever class between a willing buyer and a willing seller (on the assumption that the entire issued share capital of the Company is being sold for cash and that PSG and Pacific have consented to the transfer) free of any outstanding indebtedness that is outstanding or surplus cash less the higher of (i) the regulatory capital required by the Group, and (ii) the working capital required by the Group as at the Cessation Date save that the Independent Expert shall exclude any premium that might arise as a result of the sale of control of the Company or any discount that might arise as a result of the sale of a minority interest in the Company,
- 4 21 2 deduct from the Enterprise Value an amount equal to that which would be required as at the Cessation Date to refinance all amounts outstanding under any financing arrangements or shareholder debt instruments (including all arrears and accruals of interest, fees and other costs, and expenses payable) of the Group,

- 4 21 3 add to the Enterprise Value the aggregate cash balances held in the Group less the higher of (i) the regulatory capital required by the Group, or (ii) the working capital required by the Group, and
- 4 21 4 use the resultant figure as the valuation of all of the share capital from which they determine the market value of each share as between a willing buyer and a willing seller
- 4 22 The Independent Expert shall not add any premium to the price of the shares for the sale of control of the Company nor apply any discount for the sale of a minority interest in the Company
- 4 23 The costs and expenses of the Independent Expert shall be borne as the Independent Expert determines
- 4 24 In Article 4 16
- 4 24 1 **"Good Reason"** shall mean any of the following reasons
- (A) the death of the Manager or Beneficial Holder,
 - (B) the ill health or permanent disability of the Manager or Beneficial Holder rendering him incapable of continued full-time employment in his current position (or a comparable position) with the Group, or
 - (C) because the Manager or Beneficial Holder is employed by a subsidiary of the Company, or business of the Company or a subsidiary of the Company, which is sold or otherwise disposed of, or
 - (D) the termination of the Manager's membership of a Group Member that is a limited liability partnership in breach of the relevant limited liability partnership agreement by any person other than the relevant Manager in question, or
 - (E) the termination of the Manager's or Beneficial Holder's employment in breach of his contract of employment by any person other than the relevant Manager or Beneficial Holder in question, or
 - (F) in the case of a Manager who is a member of a Group Member that is a limited liability partnership, the winding up or dissolution of such limited liability partnership or, in the case of a Manager or Beneficial Holder who is an employee, the winding up or liquidation of the relevant Group Member which is his employer, or
 - (G) a Manager who is a member of a Group Member that is a limited liability partnership voluntarily resigns as a member in circumstances where the limited liability partnership's net profits for the previous quarter are insufficient to cover monthly drawings in respect of such quarter, or
 - (H) any other situation which the Remuneration Committee of the Company, in its absolute discretion, determines to be a Good Reason

4 24 2 **"Bad Reason"** shall mean subject to Article 4 24 1)

- (A) voluntary resignation by the Manager or Beneficial Holder for a reason other than a Good Reason, or
- (B) the termination of the Manager's membership of a Group Member that is a limited liability partnership in accordance with the relevant limited liability partnership agreement for a reason other than a Good Reason, or
- (C) the termination of the Manager's or Beneficial Holder's employment in accordance with his contract of employment for a reason other than a Good Reason,

4 24 3 **"Cost"** shall mean £150,000,000 divided by the number of shares in issue immediately after conversion of the Performance Shares and the subscription for shares by the EBT Trustee on behalf of JB and MF as contemplated in the Merger Agreement

General

4 25 Subject to Article 4 27 for the purposes of this Article, the following shall be deemed (but without limitation) to be a transfer

- 4 25 1 any direction (by way of renunciation or otherwise) by a Shareholder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself, and
- 4 25 2 any sale or any other disposition (including by way of mortgage, charge or other security interest) of any legal or equitable interest in a share (including any voting right attached to it), (A) whether or not by the relevant Shareholder or Beneficial Holder, (B) whether or not for consideration, and (C) whether or not effected by an instrument in writing

- 4 26 A charge granted by (i) a corporate Shareholder, or (ii) Sir John Beckwith or the trustees of his Family Trust over its shares and any transfer of those shares to the relevant chargee should an event of default occur in relation to such charge shall not be deemed to be a transfer, provided that, prior to the transfer of those shares, the relevant chargee shall enter into a deed of adherence to the Shareholders' Agreement
- 4 27 To enable the Board to determine whether or not there has been any transfer of shares in breach of Article 4 the Board may, and shall if so requested in writing by PSG or Pacific, require any Shareholder or the legal personal representatives of any deceased Shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose, including the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the Shareholder's name Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Board is reasonably satisfied that such breach has occurred, the Board shall notify the relevant Shareholder in writing of that fact and, if the Shareholder fails to remedy such breach within 20 business days of receipt of such written notice, then
- 4 27 1 the relevant shares shall cease to confer upon the relevant Shareholder (or any proxy) any rights
- (A) to vote (whether on a show of hands or on a poll), or
- (B) to receive dividends or other distributions (other than the amount paid up (or credited as paid up) in respect of the nominal value (and any share premium) of the relevant shares upon a return of capital) or, if less, the amount which is payable on the relevant shares under these Articles,
- otherwise attaching to such shares or to any further shares issued in right of such shares or in pursuance of an offer made to the relevant Shareholder, and
- 4 27 2 the Shareholder may be required (by notice in writing to such Shareholder from the Board) at any time following such notice to transfer some or all of his shares to such person(s) as the Board may determine in its absolute discretion (but with the prior consent of PSG and Pacific, save that if either is the breaching shareholder then its consent right shall not apply) at a price determined by the Board
- 4 28 The rights referred to in Article 4 27 1 may be reinstated by the Board with the written consent of PSG and Pacific (save that if either is the breaching shareholder then its consent right shall not apply) or, if earlier, upon the completion of any transfer referred to in Article 4 27 2
- 4 29 If a Shareholder defaults in transferring shares to be transferred pursuant to this agreement (the "**Relevant Securities**")
- 4 29 1 the chairman for the time being of the Company, or failing him one of the directors of the Company or some other person duly nominated by a

resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the Shareholder with full power to execute, complete and deliver in the name and on behalf of the Shareholder all documents necessary to give effect to the transfer of the Relevant Securities to the relevant transferee,

4 29 2 the Board may receive and give a good discharge for the purchase money on behalf of the Shareholder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members or other appropriate register as the Shareholder by transfer of the Relevant Securities,

4 29 3 the Board shall pay the purchase money into a separate bank account in the Company's name and if and when the Shareholder shall deliver up his certificate or certificates for the Relevant Securities to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the Shareholder, and

4 29 4 if such certificate shall comprise any shares which the Shareholder has not become bound to transfer as aforesaid the Company shall issue to him a balance certificate for such shares

5. SHARE CERTIFICATES

5 1 Issue of share certificates

Every member, upon becoming the holder of any shares, shall be entitled without payment to one certificate for all the shares of each class held by him (and, upon transferring a part of his holding of shares of any class, to a certificate for the balance of such holding) or several certificates each for one or more of his shares upon payment for every certificate after the first of such reasonable sum as the directors may determine

5 2 Form of share certificate

Every certificate shall be sealed with the seal and shall specify the number, class and distinguishing numbers (if any) of the shares to which it relates and the amount or respective amounts paid up thereon

5 3 Joint holders

The Company shall not be bound to issue more than one certificate for shares held jointly by several persons and delivery of a certificate to one joint holder shall be sufficient delivery to all of them

5 4 Replacement of share certificates

If a share certificate is defaced, worn-out, lost or destroyed, it may be renewed on such terms (if any) as to evidence and indemnity and payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine but otherwise free of charge, and (in the case of defacement or wearing-out) on delivery up of the old certificate

6. LIEN

- 6.1 The Company shall have a first and paramount lien on every share (not being a fully paid share or a share which has been charged or is otherwise subject to security in favour of any third party) for all moneys (whether presently payable or not) payable at a fixed time or called in respect of that share. For the purposes of this Article and Articles 14.1 and 14.3 below, a certificate signed on behalf of the beneficiary of the security confirming that the relevant shares are subject to security and/or that the transfer relates to the enforcement of that security shall be conclusive evidence of those facts. The directors may at any time declare any share to be wholly or in part exempt from any lien created by this article. The Company's lien shall extend to any amount payable in respect of it.

7. RIGHTS ATTACHING TO SHARES AND CONVERSION OF A ORDINARY SHARES AND B ORDINARY SHARES

- 7.1 The rights attaching to the Voting Shares and the Performance Shares are as follows

7.1.1 Income

- (A) Subject to Articles 7.1.1(B), 7.1.1(C), 7.1.1(D) and 7.1.1(E), the Board may resolve (in its absolute discretion) to distribute any profits of the Company available for distribution amongst the holders of Ordinary Shares, A Ordinary Shares, B Ordinary Shares and/ or Performance Shares (or any class of Performance Shares). The Deferred Shares shall carry no right to participate in any distribution of profits.
- (B) If the Board resolves to distribute profits to the holders of the Ordinary Shares, any such distribution shall be pro rata (as nearly as may be) according to the number of Ordinary Shares held by them.
- (C) If the Board resolves to distribute profits to the holders of A Ordinary Shares, any such distribution shall be pro rata (as nearly as may be) according to the number of A Ordinary Shares held by them.
- (D) If the Board resolves to distribute profits to the holders of B Ordinary Shares, any such distribution shall be pro rata (as nearly as may be) according to the number of B Ordinary Shares held by them.
- (E) If the Board resolves to distribute profits to the holders of the Performance Shares (or any class of Performance Shares), any such distribution shall be pro rata (as nearly as may be) according to the number of Performance Shares held by them.

7.1.2 Voting

Subject to any special rights, privileges or restrictions attached to any Voting Shares and the provisions of the Act, at a general meeting of the Company on a show of hands every Voting Shareholder who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by a representative duly authorised under section 323 of the Act (not being himself a member entitled to vote)

shall have one vote, and on a poll every Voting Shareholder present in person, by representative or by proxy shall have one vote for every Voting Share of which he is the holder. The holders of the Performance Shares and the holders of the Deferred Shares shall have no right to receive notices of, or cast votes at, general meetings of the Company

- 7.2 Each A Ordinary Share and each B Ordinary Share shall be automatically converted into and redesignated as one Ordinary Share

7.2.1 immediately before a Listing of all or any of the shares in the Company,

7.2.2 immediately on receipt by the Company of notice in writing from ICG that each A Ordinary Share and each B Ordinary Share may be so converted and redesignated, or

7.2.3 immediately before a sale by the holder(s) of A Ordinary Shares of all of the A Ordinary Shares in issue

- 7.3 A Ordinary Shares shall be automatically converted into and redesignated as Ordinary Shares on a one-for-one basis immediately before the transfer of such A Ordinary Shares to any person other than a wholly-owned subsidiary

- 7.4 Upon a conversion in accordance with Article 7.2 or Article 7.3, the Company shall cancel the share certificate(s) in respect of the relevant A Ordinary Shares and B Ordinary Shares and shall, after receipt of such certificate(s) (or an indemnity in respect thereof in a form reasonably satisfactory to the Board), without charge, issue fresh share certificates in respect of the Ordinary Shares arising upon conversion

8. RIGHTS ON SALE FOLLOWING A VALUATION DATE AND RETURN OF CAPITAL

- 8.1 Subject always to the provisions of Article 9.10, on a Sale, notwithstanding anything to the contrary in the terms and conditions governing such Sale, the selling Shareholders immediately prior to such Sale shall procure that the sale proceeds (whenever received) shall be placed in a designated trustee account and shall be distributed amongst the selling Shareholders in the following order of priority

8.1.1 first

(A) if a Valuation Date shall have occurred in relation to the A Performance Shares 11.66 per cent of a sum ("X") shall be distributed amongst the holders of the A Performance Shares then in issue (including for the avoidance of doubt, any such shares which may then be registered in the name of the EBT Trustee) pro rata (as nearly as may be) according to the number of A Performance Shares held by them respectively, where $X = \text{Company Value} - A \text{ Target Value}$,

(B) if a Valuation Date shall have occurred in relation to the B Performance Shares 11.66 per cent of a sum ("Y") shall be distributed amongst the holders of the B Performance Shares then in issue (including for the avoidance of doubt, any such shares which may then be registered in the name of the EBT Trustee) pro rata (as nearly as may be) according to the number of B

Performance Shares held by them respectively, where $Y = \text{Company Value} - B \text{ Target Value}$,

- (C) if a Valuation Date shall have occurred in relation to the C Performance Shares 11.66 per cent of a sum ("Z") shall be distributed amongst the holders of the C Performance Shares then in issue (including for the avoidance of doubt, any such shares which may then be registered in the name of the EBT Trustee) pro rata (as nearly as may be) according to the number of C Performance Shares held by them respectively, where $Z = \text{Company Value} - C \text{ Target Value}$,
- (D) if a Valuation Date shall have occurred in relation to the D Performance Shares 11.66 per cent of a sum ("AA") shall be distributed amongst the holders of the D Performance Shares then in issue (including for the avoidance of doubt, any such shares which may then be registered in the name of the EBT Trustee) pro rata (as nearly as may be) according to the number of D Performance Shares held by them respectively, where $AA = \text{Company Value} - D \text{ Target Value}$,
- (E) if a Valuation Date shall have occurred in relation to the E Performance Shares 11.93 per cent of a sum ("BB") shall be distributed amongst the holders of the E Performance Shares then in issue (including for the avoidance of doubt, any such shares which may then be registered in the name of the EBT Trustee) pro rata (as nearly as may be) according to the number of E Performance Shares held by them respectively, where $BB = \text{Company Value} - E \text{ Target Value}$,

8.1.2 second, in paying to each holder of Deferred Shares the sum of 1p, and

8.1.3 third, the balance of the sale proceeds available for distribution shall be distributed amongst the holders of the Voting Shares pro rata (as nearly as may be) according to the number of Voting Shares held by them respectively

8.2 For the purposes of this Article 8, in the event of a Change of Control of the Company the sale proceeds shall for the avoidance of doubt be the Purchase Consideration

8.3 Subject always to the provisions of Article 9.10, on a Return of Capital the assets of the Company available for distribution among the members shall be distributed in such amounts and in such order of priority as would be applicable on a Sale provided always that

8.3.1 references in Article 8.1 to "Company Value" shall be deemed to be a reference to the assets of the Company available for distribution on such Return of Capital, and

8.3.2 on a Return of Capital the words "if a Valuation Date shall have occurred in relation to the A Performance Shares" in Article 8.1.1(A), "if a Valuation Date shall have occurred in relation to the B Performance Shares" in Article 8.1.1(B), "if a Valuation Date shall have occurred in relation to the C Performance Shares" in Article 8.1.1(C), "if a Valuation Date shall have occurred in relation to the D Performance Shares" in Article 8.1.1(D), and

"if a Valuation Date shall have occurred in relation to the E Performance Shares" in Article 8 1 1(E) shall not apply

9 CONVERSION OF PERFORMANCE SHARES

9 1 Following the occurrence of a Valuation Date, the Company shall cause the Company Value, Fair Market Value or the Purchase Consideration (as the case may be) to be determined as soon as reasonably practicable

9 2 For the purposes of these Articles the **"Valuation Date"** in respect of

9 2 1 the A Performance Shares shall be the first to occur of

- (A) 31 December 2012, or
- (B) the date on which a Change of Control of a Holding Company of the Company shall take effect, if a Holding Company of the Company shall have elected to treat such date as a Valuation Date in accordance with Article 1110, or
- (C) the date on which a Change of Control of the Company shall take effect,

9 2 2 the B Performance Shares shall be the first to occur of

- (A) 30 June 2014 or such earlier date after 31 December 2013 as PSG may decide, or
- (B) the date referred to in Article 9 2 1(B), or
- (C) the date referred to in Article 9 2 1(C),

9 2 3 the C Performance Shares shall be the first to occur of

- (A) 31 December 2014, or
- (B) the date referred to in Article 9 2 1(B), or
- (C) the date referred to in Article 9 2 1(C), or
- (D) the date on which a Liquidity Event shall take effect, if a Holding Company of the Company shall have elected to treat such date as a Valuation Date in accordance with Article 11,

9 2 4 the D Performance Shares shall be the first to occur of

- (A) 31 December 2015, or
- (B) the date referred to in Article 9 2 1(B), or
- (C) the date referred to in Article 9 2 1(C), or
- (D) the date referred to in Article 9 2 3(D),

9 2 5 the E Performance Shares shall be the first to occur of

- (A) 31 December 2015, or
- (B) the date referred to in Article 9 2 1(B), or
- (C) the date referred to in Article 9 2 1(C), or
- (D) the date referred to in Article 9 2 3(D)

9 3 For the purposes of these Articles the expression **"Company Value"** shall mean

9 3 1 the value of the Company to be calculated in accordance with the provisions of Article 12, or

- 9 3 2 in the event that the Valuation Date is the date referred to in Article 9 2 1(B), the Fair Market Value, or
- 9 3 3 in the event that the Valuation Date is the date referred to in Article 9 2 1(C), the Purchase Consideration, or
- 9 3 4 in the event that the Valuation Date is the date referred to in Article 9 2 2(A), the Fair Market Value, or
- 9 3 5 in the event that the Valuation Date is the date referred to in Article 9 2 3(D), the Fair Market Value
- 9 4 Following a Valuation Date where the Company Value exceeds the relevant Target Value, the Performance Shares to which the Valuation applied shall be converted automatically into such number of B Ordinary Shares as is determined in accordance with the following formula (the “**Conversion**”) unless acquired for cash consideration pursuant to Article 11 1, 11 2, 11 3, 11 4 or 11 5 The number of B Ordinary Shares into which the Performance Shares shall convert is “**X**”
- where
$$X = A/B$$
- and where
- “A” = the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8 1 (disregarding any arrears and accruals of any dividends on such shares), and
- “B” = (i) in the case of a Valuation Date (other than in the event that the Valuation Date is the date referred to in Article 9 2 1(B) or Article 9 2 1(C) or Article 9 2 3(D)) which falls on 31 December in any year, the Company Share Price which takes effect from the relevant Valuation Date, or (ii) in the case of a Valuation Date which is the date referred to in Article 9 2 2(A) (other than in the event that the Valuation Date is the date referred to in Article 9 2 1(B) or Article 9 2 1(C)) the Adjusted Company Share Price, (iii) in the case of a Valuation Date which is the date referred to in Article 9 2 1(B), the Adjusted Company Share Price 1, or (iv) in the case of a Valuation Date which is the date referred to in Article 9 2 3(D) the Adjusted Company Share Price 3, or (v) in the case of any other Valuation Date, the Adjusted Company Share Price 2, in each case notwithstanding that such Company Share Price, Adjusted Company Share Price 1, Adjusted Company Share Price 2 or Adjusted Company Share Price 3 may not actually be determined until after the relevant Valuation Date
- 9 5 In the event that the effect of the Conversion would be (the provisions of this Article 9 5 apart) to entitle a former holder of Performance Shares to a number of B Ordinary Shares having an aggregate nominal value greater than the aggregate nominal value of the Performance Shares held by such holder immediately prior to the Conversion, the Conversion shall take effect so as to entitle a holder of Performance Shares to the number of B Ordinary Shares as is determined in accordance with the formula in Article 9 4 and the nominal value of each such B Ordinary Share shall be determined in accordance with the following formula

nominal value = £0.01 x (C/D)

where

"C" = the aggregate number of Performance Shares to be converted, and

"D" = the number of B Ordinary Shares into which the Performance Shares shall convert (being X, as is determined in accordance with the formula in Article 9.4)

Immediately prior to the Conversion in accordance with this Article 9.5 the Performance Shares shall be sub-divided into the same number of B Ordinary Shares as is determined in accordance with the formula in Article 9.4 with each subdivided Performance Share having a nominal value determined in accordance with the formula in this Article 9.5. The Board is authorised to effect the sub-division of shares provided for in this Article 9.5 without a resolution of the members.

9.6 In the event that the effect of the Conversion would be (the provisions of this Article 9.6 apart) to entitle a former holder of Performance Shares to a number of B Ordinary Shares having an aggregate nominal value less than the aggregate nominal value of the Performance Shares held by such holder immediately prior to the Conversion, the Conversion shall take effect so as to entitle a holder of Performance Shares to -

(i) the number of B Ordinary Shares as is determined in accordance with the formula in Article 9.4, and

(ii) such number of Deferred Performance Shares as shall have an aggregate nominal value equal to the amount by which the aggregate nominal value of the B Ordinary Shares to which such holder is entitled pursuant to Article 9.4 is less than the aggregate nominal value of the Performance Shares to be converted.

9.7 Upon a conversion in accordance with Articles 9.4, 9.5 or 9.6, the Company shall cancel the share certificate(s) in respect of the relevant Performance Shares and shall, after receipt of such certificate(s) (or an indemnity in respect thereof in a form reasonably satisfactory to the Board), without charge, issue fresh share certificates in respect of the B Ordinary Shares and Deferred Shares arising upon conversion.

9.8 Each member to whom Deferred Shares are issued shall transfer all such Deferred Performance Shares for no consideration and by way of gift to the Company upon such Deferred Performance Shares being issued to the member and will deliver the share certificate and a duly executed stock transfer form in respect of such Deferred Performance Shares to the Company and the Company shall accept any such gift and upon such gift being made will cancel such Deferred Performance Shares.

9.9 Conversion of Performance Shares in accordance with this Article 9 shall be deemed to confer an irrevocable authority on the Company, at any time thereafter, to appoint any person to execute, on behalf of the holders of the Deferred Performance Shares, a transfer thereof and/ or an agreement to transfer the Deferred Performance Shares for no consideration to the Company.

9.10 Following a Valuation Date

9.10.1 if in respect of any relevant class of Performance Share it is determined that the Company Value is less than or equal to the Target Value, the following provisions shall apply with immediate effect so that, on a Sale or a Return of Capital, the amount to be distributed in respect of all

Performance Shares of the class in question shall be the aggregate sum of 1p,

9 10 2 upon the acquisition of any Performance Shares by the holders of a majority of the Voting Shares pursuant to Article 10 the following provisions shall apply with immediate effect so that, on a Sale or a Return of Capital, the amount to be distributed in respect of all Performance Shares of the class in question so acquired, shall be a sum equal to the aggregate nominal value of the Performance Shares in question,

9 10 3 in respect of the A Performance Shares, the following provisions shall apply with immediate effect so that, on a Sale or a Return of Capital, the amount to be distributed in respect of all the A Performance Shares so acquired shall be a sum equal to the aggregate nominal value of the PSG Shares issued in exchange for the A Performance Shares

10. DEFERRED ORDINARY SHARES

10 1 Other than in accordance with Article 4 16, Shares may also be converted into Deferred Ordinary Shares with the prior written agreement of the relevant Shareholder(s) and the Board at such conversion ratio as may be agreed

10 2 Conversion of Shares into Deferred Ordinary Shares in accordance with Article 4 16, Article 10 1 or otherwise shall be deemed to confer an irrevocable authority on the Company, at any time thereafter

10 2 1 to appoint any person to execute (as agent on behalf of the holders of the Deferred Ordinary Shares) a transfer thereof and/or an agreement to transfer the same for no consideration to such person or persons as the Company may determine as custodian thereof, and/or

10 2 2 to purchase the same (in accordance with the Companies Act 2006) for not more than an aggregate sum (for all the Deferred Ordinary Shares then in issue) of £0 01, without any requirement to obtain the consent or sanction of the holders and, for the purposes of such purchase, to appoint a person to execute (on behalf of the holders of the Deferred Ordinary Shares) a contract for the sale to the Company of any Deferred Ordinary Shares held by any such holders

11. CHANGE OF CONTROL AND LIQUIDITY EVENT

11 1 If a Change of Control of a Holding Company of the Company occurs, the holders of a majority of the Voting Shares shall be entitled, at their absolute discretion, to elect in favour of immediate Valuation (which shall apply in relation to any classes of Performance Shares in respect of which a Valuation Date has not already occurred on a date prior to the date of the relevant Change of Control), in which case the provisions of Article 9 1 shall apply, the Valuation Date shall be as set out in Article 9 2 1(B) and the Company Value shall be as set out in Article 9 3 2 Prior to any conversion of Performance Shares pursuant to Article 9 4 following such Valuation, if the Company Value exceeds the relevant Target Value PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) shall be entitled, at its option, to purchase some or all of the Performance Shares in question by way of cash consideration equal to the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8 1

(disregarding any arrears and accruals of any dividends on such shares) Where Performance Shares are purchased for cash consideration, PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) may purchase different proportions of each class of Performance Share but, as between the holders of Performance Shares (or beneficial interests therein) in a class, shall purchase the same proportion from each of the holders of Performance Shares (and in respect of the beneficial interests therein) in that class

- 11 2 The holders of a majority of the Voting Shares shall notify the Performance Shareholders of any election for immediate Valuation pursuant to Article 11 1 before the expiry of 30 Business Days after the relevant Change of Control of a Holding Company of the Company In the absence of such notification, Article 11 1 shall not apply with respect to such Change of Control of the relevant Holding Company, provided always that prior to any conversion of Performance Shares pursuant to Article 9 4 following the eventual Valuation of such shares, if the Company Value exceeds the relevant Target Value PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) shall be entitled, at its option, to purchase some or all of the Performance Shares in question by way of cash consideration equal to the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8 1 (disregarding any arrears and accruals of any dividends on such shares) Where Performance Shares are purchased for cash consideration, PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) may purchase different proportions of each class of Performance Share but, as between the holders of Performance Shares (or beneficial interests therein) in a class, shall purchase the same proportion from each of the holders of Performance Shares (and in respect of the beneficial interests therein) in that class
- 11 3 If a Change of Control of the Company, but not a Holding Company of it, occurs, the provisions of Article 9 1 shall apply and Valuation shall occur in relation to any classes of Performance Share in respect of which a Valuation Date has not already occurred on a date prior to the date of the relevant Change of Control, the Valuation Date shall be as set out in Article 9 2 1(C) and the Company Value shall be as set out in Article 9 3 3 Prior to any conversion of Performance Shares pursuant to Article 9 4 following such Valuation, if the Company Value exceeds the relevant Target Value PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) shall be entitled, at its option, to purchase some or all of the Performance Shares in question by way of cash consideration equal to the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8 1 (disregarding any arrears and accruals of any dividends on such shares) Where Performance Shares are purchased for cash consideration, PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) may purchase different proportions of each class of Performance Share but, as between the holders of Performance Shares (or beneficial interests therein) in a class, shall

purchase the same proportion from each of the holders of Performance Shares (and in respect of the beneficial interests therein) in that class

- 11.4 If a Liquidity Event occurs, the holders of a majority of the Voting Shares shall be entitled, at their absolute discretion, to elect in favour of immediate Valuation (which shall apply in relation to any classes of Performance Shares (other than the B Performance Shares) in respect of which a Valuation Date has not already occurred on a date prior to the date of the relevant Liquidity Event), in which case the provisions of Article 9.1 shall apply, the Valuation Date shall be as set out in Article 9.2.3(D) and the Company Value shall be as set out in Article 9.3.5. Prior to any conversion of Performance Shares pursuant to Article 9.4 following such Valuation, if the Company Value exceeds the relevant Target Value PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) shall be entitled, at its option, to purchase some or all of the Performance Shares in question by way of cash consideration equal to the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8.1 (disregarding any arrears and accruals of any dividends on such shares). Where Performance Shares are purchased for cash consideration, PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) may purchase different proportions of each class of Performance Share but, as between the holders of Performance Shares (or beneficial interests therein) in a class, shall purchase the same proportion from each of the holders of Performance Shares (and in respect of the beneficial interests therein) in that class.
- 11.5 The holders of a majority of the Voting Shares shall notify the Performance Shareholders of any election for immediate Valuation pursuant to Article 11.4 before the expiry of 30 Business Days after the relevant Liquidity Event. In the absence of such notification, Article 11.4 shall not apply with respect to such Liquidity Event, provided always that prior to any conversion of Performance Shares pursuant to Article 9.4 following the eventual Valuation of such shares, if the Company Value exceeds the relevant Target Value PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) shall be entitled, at its option, to purchase some or all of the Performance Shares in question by way of cash consideration equal to the market value of the Performance Shares in question as at the relevant Valuation Date, such amount to be determined for the avoidance of doubt by reference to the order of distribution set out in Article 8.1 (disregarding any arrears and accruals of any dividends on such shares). Where Performance Shares are purchased for cash consideration, PSG (or if PSG shall not then be the holder of a majority of the Voting Shares, the holders of the majority of the Voting Shares at the relevant time) may purchase different proportions of each class of Performance Share but, as between the holders of Performance Shares (or beneficial interests therein) in a class, shall purchase the same proportion from each of the holders of Performance Shares (and in respect of the beneficial interests therein) in that class.

12. COMPANY VALUATION

12.1 Performance of Company Valuation

- 12 1 1 The Company shall appoint a firm of chartered accountants (not being the Auditors), an investment bank or other independent person (the "Expert") and procure, at its own cost (save to the extent not permitted by law, in which case at the cost of the holder(s) of a majority of the Voting Shares), that the valuation of the Voting Shares is carried out by such Expert in accordance with the valuation method set out in Articles 12 1 2 to 12 1 3 (the "**Basic Valuation Method**") The Company shall procure that such valuation is performed by the Expert as soon as practicable following the relevant Valuation Date, subject to Article 12 3
- 12 1 2 The Basic Valuation Method will be used to value the entire issued Voting Share capital of the Company by reference to the value of the operating assets of the Business (its enterprise value) at the relevant Valuation Date and taking into account the following principles
- (A) that any Performance Shares which are then in issue are deemed not to exist,
 - (B) that any restrictions on the right to receive dividends attaching to the B Ordinary Shares and any enhanced right to receive dividends attaching to the A Ordinary Shares are deemed not to exist,
 - (C) the Voting Shares are sold at arm's length by willing buyers to willing sellers, and
 - (D) no premium is paid for control of the Company
- 12 1 3 Additional methods which may be applied by the Expert with a view to achieving a valuation consistent with the principles in Article 12 1 2 include (but are not restricted to) the application of appropriate, retrospective and prospective risk adjusted market related multiples to the historical and forecast profit after tax of the Company, the use of a multiple based on the turnover of the Sub-Group, a multiple based on assets under management of the Sub-Group and a discounted cash flow valuation based on the projected after tax free cash flow of the Sub-Group, or a combination of any or all of these
- 12 2 Notification**
- 12 2 1 As soon as practicable after the delivery to the Company of the relevant valuation report, the Company shall notify the Performance Shareholders of the Company Value as determined by the Expert and details of how the Target Value has been calculated
- 12 2 2 For the purpose of this Article 12, the Expert shall be deemed to act as an independent expert and not as an arbitrator and his determination shall be final and binding on all concerned
- 12 3 Circumstances where a Company Valuation is not required**
- 12 3 1 Computation of the Company Value under Article 12 1 shall not take place if
- (A) a Change of Control of a Holding Company of the Company occurs and PSG elects in favour of an immediate Valuation under Article 11 1, or
 - (B) a Change of Control of the Company, but not a Holding Company of it, occurs, or

- (C) the Valuation Date is the date referred to in Article 9 2 2(A), or
- (D) a Liquidity Event occurs and the holders of a majority of the Voting Shares elect in favour of an immediate Valuation under Article 11 4,

but without prejudice in any case to any obligation of the Company to procure the computation of the Company Value as at any Valuation Date prior to the occurrence of the Change of Control or Liquidity Event

13. CALLS ON SHARES AND FORFEITURE

13 1 Power to make calls

Subject to the terms of allotment, the directors may make calls upon the members in respect of any moneys unpaid on their shares (whether in respect of nominal value or premium) and each member shall (subject to receiving at least fourteen clear days' notice specifying when and where payment is to be made) pay to the Company as required by the notice the amount called on his shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or part and payment of a call may be postponed in whole or part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the shares in respect whereof the call was made.

13 2 Time of call

A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.

13 3 Joint Holders

The joint holders of a share shall be jointly and severally liable to pay all calls in respect thereof.

13 4 Interest on overdue amounts

If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.

13 5 Other sums due on shares

An amount payable in respect of a share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call and if it is not paid the provisions of these Articles shall apply as if that amount had become due and payable by virtue of a call.

13 6 Power to differentiate between holders

Subject to the terms of allotment, the directors may make arrangements on the issue of shares for a difference between the holders in the amounts and times of payment of calls on their shares.

13 7 Notice of a failure to pay a call

If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice

requiring payment of the amount unpaid together with any interest which may have accrued. The notice shall name the place where payment is to be made and shall state that if the notice is not complied with the shares in respect of which the call was made will be liable to be forfeited.

13.8 Forfeiture for non-compliance

If the notice is not complied with any share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited shares and not paid before the forfeiture.

13.9 Transfer of forfeited shares

Subject to the provisions of the Act, a forfeited share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the share to that person.

13.10 Holder to remain liable despite forfeiture

A person any of whose shares have been forfeited shall cease to be a member in respect of them and shall surrender to the Company for cancellation the certificate for the shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the shares at the time of forfeiture or for any consideration received on their disposal.

13.11 Evidence of forfeiture

A statutory declaration by a director or the secretary that a share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the share and the person to whom the share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the share.

14. TRANSFERS

- 14.1** The Voting Shares and the Performance Shares which have been charged or are otherwise subject to security in favour of any third party shall be freely transferable, but the Performance Shares not charged or otherwise subject to security in favour of any third party shall not be transferable except as agreed in writing from time to time between the Company and the Performance Shareholders or as contemplated by these Articles. The Deferred Shares shall not be transferable.

except as agreed in writing from time to time between the Company and the holders of the Deferred Shares or as contemplated by these Articles

14 2 Instrument of transfer

The instrument of transfer may be in any usual form or in any other form which the directors may approve and shall be executed by or on behalf of the transferor and, unless the share is fully paid, by or on behalf of the transferee

14 3 Reasons for declining to approve a transfer

The directors may refuse to register the transfer of a share which is not fully paid to a person of whom they do not approve provided the transfer does not relate to a share which has been charged or is otherwise subject to security in favour of any third party or to the enforcement of any such security

14 4 Notice of refusal

If the directors refuse to register a transfer of a Voting Share, they shall within two months after the date on which the transfer was lodged with the Company send to the transferee notice of the refusal

14 5 Closure of register

The registration of transfers of Voting Shares may be suspended at such times and for such periods (not exceeding thirty days in any year) as the directors may determine

14 6 No fee for registration

No fee shall be charged for the registration of any instrument of transfer or other document relating to or affecting the title to any share

14 7 Return of instrument of transfer

The Company shall be entitled to retain any instrument of transfer which is registered, but any instrument of transfer which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given

15. TRANSMISSION OF SHARES

15 1 Persons entitled on death

If a member dies the survivor or survivors where he was a joint holder, and his personal representatives where he was a sole holder or the only survivor of joint holders, shall be the only persons recognised by the Company as having any title to his interest, but nothing in this Article shall release the estate of a deceased member from any liability in respect of any share which had been jointly held by him

15 2 Election by persons entitled by transmission

A person becoming entitled to a share in consequence of the death or bankruptcy of a member may, upon such evidence being produced as the directors may properly require, elect either to become the holder of the share or to have some person nominated by him registered as the transferee. If he elects to become the holder he shall give notice to the Company to that effect. If he elects to have another person registered he shall execute an instrument of transfer of the share to that person. All the Articles relating to the transfer of shares shall apply to the notice or instrument of transfer as if it were an instrument of transfer executed by the member and the death or bankruptcy of the member had not occurred

15 3 Rights of person entitled by transmission

A person becoming entitled to a share in consequence of the death or bankruptcy of a member shall have the rights to which he would be entitled if he were the holder of the share, except that he shall not, before being registered as the holder of the share, be entitled in respect of it to attend or vote at any meeting of the Company or at any separate meeting of the holders of any class of shares in the Company

16. PERFORMANCE SHARE CLASS CONSENTS

- 16 1 The rights attaching to the Performance Shares shall not be modified unless the holders of the Performance Shares consent in accordance with Article 17

17. VARIATION OF RIGHTS

- 17 1 All or any of the special rights or privileges for the time being attached to any share or class of shares in the capital of the Company (notwithstanding that the Company may be or be about to be in liquidation) may be varied or abrogated only with

17 1 1 the prior consent in writing of the holders of not less than three-quarters of the issued shares of the class, or

17 1 2 the sanction of an extraordinary resolution passed at a separate meeting of the holders of shares of the class duly convened and held as hereinafter provided

- 17 2 To every such separate meeting the provisions of these Articles with respect to notice of and proceedings at general meetings shall mutatis mutandis apply, but so that the requisite quorum shall be two persons, present in person, by proxy or by corporate representative, holding or representing not less than one-third of the issued shares of the class and that any holder of shares of the appropriate class, present in person or by proxy or by corporate representative and entitled to vote, may demand a poll

18 NOTICE OF GENERAL MEETINGS

18 1 Notice period

Subject to the provisions of the Act, all general meetings of the Company shall be called by at least such minimum period of notice as is prescribed under the Act. General meetings may, subject to the Act, be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the shares giving that right

18 2 Contents of notice

The notice shall specify the time, date and place of the meeting and the general nature of the business to be transacted. Where the Company has given an electronic address in any notice of meeting, any document or information relating to proceedings at the meeting may be sent by electronic means to that address, subject to any conditions or limitations specified in the relevant notice of meeting. Subject to the provisions of these Articles and to any rights or restrictions attached to any shares, notices shall be given to all members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors of the Company

18 3 Recipients of notice

Subject to the provisions of these Articles and to any restrictions imposed on any shares, the notice shall be given to all the members, to all persons entitled to a share in consequence of the death or bankruptcy of a member and to the directors

18 4 Accidental omission to give notice

The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

19. PROCEEDINGS AT GENERAL MEETINGS

19 1 Quorum

No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business and remains present during the transaction of business. Two persons entitled to vote upon the business to be transacted shall be a quorum

19 2 Lack of quorum

If such a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as the directors may determine. If at any adjourned meeting which has been so adjourned pursuant to this Article a quorum is not present within half an hour of the time appointed for the adjourned meeting the meeting will be dissolved

19 3 Chairman

The chairman, if any, of the Board or in his absence some other director nominated by the directors shall preside as chairman of the meeting, but if neither the chairman nor such other director (if any) be present within fifteen minutes after the time appointed for holding the meeting and willing to act, the directors present shall elect one of their number to be chairman and, if there is only one director present and willing to act, he shall be chairman

19 4 Shareholder appointed Chairman

If no director is willing to act as chairman, or if no director is present within fifteen minutes after the time appointed for holding the meeting, the members present and entitled to vote shall choose one of their number to be chairman

19 5 Adjournment

The chairman may, with the consent of a meeting at which a quorum is present (and shall if so directed by the meeting), adjourn the meeting from time to time and from place to place, but no business shall be transacted at an adjourned meeting other than business which might properly have been transacted at the meeting had the adjournment not taken place. When a meeting is adjourned for fourteen days or more, at least seven clear days' notice shall be given specifying the time and place of the adjourned meeting and the general nature of the business to be transacted. Otherwise it shall not be necessary to give any such notice

19 6 Written resolutions

Subject to the Act, a written resolution proposed and approved in accordance with the Act by

19 6 1 a simple majority in the case of an ordinary resolution, and

19 6 2 at least 75% in the case of a special resolution,

in each case of shareholders holding the requisite majority of the total voting rights of eligible members shall be as valid and effective for all purposes as a resolution passed at a general meeting duly convened and held and may consist of several documents in the like form, each executed by or on behalf of one or more persons. In the case of a corporation the resolution may be signed on its behalf by a director or the secretary thereof or by its duly appointed attorney or duly authorised representative

20. VOTES OF MEMBERS

20 1 Votes of members

Subject to any special rights, privileges or restrictions attached to any shares forming part of the capital of the Company, at any general meeting of the Company on a show of hands every member who (being an individual) is present in person or by proxy (not being himself a member) or (being a corporation) is present by proxy or by a representative duly authorised under section 323 of the Act (not being himself a member) shall have one vote, and on a poll every member present in person, by representative or by proxy shall have one vote for every share of which he is the holder

20 2 No casting vote of chairman

In the case of an equality of votes, whether on a show of hands or on a poll, the chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a casting vote in addition to any other vote he may have

20 3 Joint holders

In the case of joint holders the vote of the senior who tenders a vote, whether in person or by proxy, shall be accepted to the exclusion of the votes of the other joint holders, and seniority shall be determined by the order in which the names of the holders stand in the register of members

20 4 Incapacity of member

A member in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court. Evidence to the satisfaction of the directors of the authority of the person claiming to exercise the right to vote shall be deposited at the office, or at such other place as is specified in accordance with these Articles for the deposit of appointments of proxy, not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, and in default the right to vote shall not be exercisable

20 5 Restriction on voting in particular circumstances

No member shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in

respect of any share held by him unless all moneys presently payable by him in respect of that share have been paid

20 6 Validity of vote

No objection shall be raised to the qualification of any voter or to the counting of, or failure to count, any vote, except at the meeting or adjourned meeting at which the vote objected to is tendered. Subject to any objection made in due time, every vote counted and not disallowed at the meeting shall be valid and every vote disallowed or not counted shall be invalid. Any objection made in due time shall be referred to the chairman whose decision shall be final and conclusive.

20 7 Form of Discretionary Proxy

The appointment of a proxy shall be executed by or on behalf of the appointor and shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve)

" PLC
I/We, , of
being a member/members of the above-named company, hereby
appoint of
, or failing
him, of
, as my/our proxy to vote in my/our name[s] and on
my/our behalf at the general meeting of the company, to be held
on 20[], and at any adjournment thereof
Signed on 20[]"

20 8 Form of Non-Discretionary Proxy

Where it is desired to afford members an opportunity of instructing the proxy how he shall act the appointment of a proxy shall be in the following form (or in a form as near thereto as circumstances allow or in any other form which is usual or which the directors may approve)—

" PLC
I/We, , of
being a member/members of the above-named company, hereby
appoint of , or failing
him, of
, as my/our proxy to vote in my/our name[s] and on
my/our behalf at the general meeting of the company, to be held
on 20[], and at any adjournment thereof

This form is to be used in respect of the resolutions mentioned below as follows

Resolution No 1 *for *against

Resolution No 2 *for *against

*Strike out whichever is not desired

Unless otherwise instructed, the proxy may vote as he thinks fit or abstain from voting

Signed this day of 20[]"

20 9 Delivery of Proxy

The appointment of a proxy and any authority under which it is executed or a copy of such authority certified notarially or in some other way approved by the directors may

- 20 9 1 in the case of an appointment of proxy in hard copy form, be received at the office or such other place in the United Kingdom as is specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- 20 9 2 in the case of an appointment of proxy in electronic form, be received at the electronic address specified in the notice convening the meeting, or in any appointment of proxy or any invitation to appoint a proxy sent out or made available by the Company in relation to the meeting, not less than 48 hours before the time for holding the meeting or adjourned meeting at which the person named in the appointment of proxy proposes to vote, or
- 20 9 3 in the case of a poll taken subsequently to the date of the meeting or adjourned meeting, be received as aforesaid not less than 24 hours (or such shorter time as the directors may decide) before the time appointed for the taking of the poll

An appointment of proxy which is not, or in respect of which the authority or copy thereof is not, received or delivered in a manner so permitted shall be invalid. The directors may specify in the notice convening the meeting that in determining the time for delivery of proxies pursuant to this Article, no account shall be taken of any part of a day that is not a working day

In this Article and Article 20 10, "address", in relation to electronic communications, includes any number or address used for the purposes of such communications

20 10 Validity of proxy vote

A vote given or poll demanded by proxy or by the duly authorised representative of a corporation shall be valid notwithstanding the previous determination of the authority of the person voting or demanding a poll unless notice of the determination was received by the Company at the office or at such other place at which the appointment of proxy may be duly received, or the address where an appointment in electronic form may be duly received before the commencement of the meeting or adjourned meeting at which the vote is given or the poll demanded or (in the case of a poll taken otherwise than on the same day as the meeting or adjourned meeting) the time appointed for taking the poll

20 11 Poll

A resolution put to the vote of a meeting shall be decided on a show of hands unless before, or immediately after the declaration of the result of, the show of hands a poll is duly demanded. Subject to the provisions of the Act, a poll may be demanded at any general meeting by

- 20 11 1 the chairman, or
- 20 11 2 any member present in person, by proxy or by corporate representative and entitled to vote

20 12 Evidence of votes

Unless a poll is duly demanded and the demand is not subsequently withdrawn, a declaration by the chairman that a resolution has been carried or carried unanimously, or by a particular majority, or lost, or not carried by a particular majority, and an entry in respect of such declaration in the minutes of the meeting, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against the resolution

20 13 Withdrawal of a demand for a poll

The demand for a poll may, before the poll is taken, be withdrawn but only with the consent of the chairman and a demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made

20 14 Procedure on a poll

A poll shall, subject to Articles 20 15 and 20 16 below, be taken as and when the chairman directs and he may appoint scrutineers (who need not be members) and fix a time and place for declaring the result of the poll. The result of the poll shall be deemed to be the decision of the meeting in respect of the resolution on which the poll was demanded

20 15 Timing of poll

A poll demanded on

20 15 1 the election of a chairman, or

20 15 2 on a question of adjournment,

shall be taken forthwith. A poll demanded on any other question shall be taken either forthwith or at such time and place as the chairman directs not being more than thirty days after the poll is demanded. The demand for a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which the poll was demanded. If a poll is demanded before the declaration of the result of a show of hands and the demand is duly withdrawn, the meeting shall continue as if the demand had not been made

20 16 Notice of a poll

No notice need be given of a poll not taken forthwith if the time and place at which it is to be taken are announced at the meeting at which it is demanded. In any other case at least seven clear days' notice shall be given specifying the time and place at which the poll is to be taken

20 17 Voting on a poll

On a poll votes may be given either personally or by proxy. Subject to the Act, a member may appoint more than one proxy to attend on the same occasion and if he does he shall specify the number of shares in respect of which each proxy is entitled to exercise the related votes and shall ensure that no proxy is appointed to exercise the votes which any other proxy has been appointed by that member to exercise. If he fails to specify the number of shares in respect of which each proxy is entitled to exercise the related votes, or if the number of shares so specified exceeds in aggregate the total number of shares held by that member, the Company shall allocate the votes equally, as nearly as practicable, between the proxies

References in these Articles to an appointment of proxy include references to an appointment of multiple proxies unless the context otherwise requires

21. ALTERATION OF SHARE CAPITAL

21 1 Alteration of share capital

Subject to these Articles, the Company may by ordinary resolution

- 21 1 1 increase its share capital by new shares of such amount as the resolution prescribes,
- 21 1 2 consolidate and divide all or any of its share capital into shares of larger amount than its existing shares,
- 21 1 3 subject to the provisions of the Act, sub-divide its shares, or any of them, into shares of smaller amount and the resolution may determine that, as between the shares resulting from the sub-division, any of them may have any preference or advantage as compared with the others, and
- 21 1 4 cancel shares which, at the date of the passing of the resolution, have not been taken or agreed to be taken by any person and diminish the amount of its share capital by the amount of the shares so cancelled

21 2 Fractional entitlements

Whenever as a result of a consolidation of shares any members would become entitled to fractions of a share, the directors may, on behalf of those members, sell the shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale

21 3 Reduction of share capital

Subject to the provisions of the Act, the Company may by special resolution reduce its share capital, any capital redemption reserve and any share premium account in any way

22. PURCHASE OF OWN SHARES

- 22 1 Subject to the provisions of the Act, the Company may purchase its own shares (including any redeemable shares) and make a payment in respect of the redemption or purchase of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares
- 22 2 If on a Valuation Date for any class of Performance Share, the Company Value is less than or equal to the Target Value in respect of that class of Performance Share, the Company shall thereafter be entitled at any time to purchase all shares of the class or classes of Performance Share in question for the sum of 1p payable to each holder of such shares

23. DIRECTORS

- 23 1 Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be not less than one

- 23 2 A director shall continue to hold such office until he is either removed or vacates office
- 23 3 The directors may appoint a person who is willing to act to be a director, and is permitted by law to do so, either to fill a vacancy or as an additional director, provided that the appointment does not cause the number of directors to exceed any number fixed by or in accordance with these Articles as the maximum number of directors
- 23 4 PSG and Pacific shall each have the right from time to time to appoint persons to the Board of the Company as follows
- 23 4 1 for so long as PSG holds any Shares in the Company it shall have the right to appoint two persons to be non-executive directors of the Company and to remove from office any person so appointed and to appoint another person in his place, and
- 23 4 2 for so long as Pacific holds any Shares in the Company it shall have the right to appoint two persons to be non-executive directors of the Company and to remove from office any person so appointed and to appoint another person in his place
- 23 5 Without prejudice to the provisions of this Article 23, the office of a director shall be vacated
- 23 5 1 if by notice in writing to the Company he resigns the office of director,
- 23 5 2 if he shall for more than six consecutive months have been absent without permission of the Board from meetings of the Board held during that period, unless he shall have appointed an alternate director who has not been similarly absent during such period,
- 23 5 3 if he appears unable to pay a debt which is payable immediately or to have no reasonable prospect of paying a debt which is not immediately payable in either case within the meanings given to such expressions in section 268 of the Insolvency Act 1986,
- 23 5 4 if he is subject to an interim order under section 252 of the Insolvency Act 1986 or enters into a voluntary arrangement within the meaning given in section 253 of that Act,
- 23 5 5 if he is prohibited from being or is disqualified as a director by an order made under any provision of the Insolvency Act 1986 or the Company Directors Disqualification Act 1986,
- 23 5 6 if he is, or may be, suffering from mental disorder and either
- (A) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983 or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
- (B) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs, or
- 23 5 7 if he is removed from office under section 168 of the Act

23 6 The directors shall not be liable to retire by rotation

24 NO SHARE QUALIFICATION

22 1 Neither a director nor an alternate director shall require a share qualification but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate meeting of the holders of any class of shares of the Company

25. PROCEEDINGS OF DIRECTORS

25 1 Quorum

The quorum necessary for the transaction of the business of the Board shall be one director. A person who holds office only as an alternate director shall, if his appointor is not present, be counted in the quorum

25 2 Regulation of meetings

The directors may adjourn and otherwise regulate their meetings as they think fit. Questions arising at any meeting shall be decided by a majority of votes and in the case of an equality of votes no person shall have a second or casting vote. A director may, and the secretary on the requisition of a director shall, at any time summon a meeting of the Board

25 3 Signed resolutions

A resolution executed or approved in writing by all the directors shall be as valid and effective for all purposes as a resolution passed at a meeting of the Board duly convened and held and may consist of several documents in the like form, each signed by one or more of the directors. A resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity

25 4 Delegation to committees

The directors may delegate any of their powers to a committee consisting of at least three directors. No committee shall be entitled to transact any business which the Board would not be entitled to transact, and the provisions of these Articles with respect to the regulation of meetings of the Board shall apply, mutatis mutandis, to meetings of any committee

25 5 Meetings by Conference Facilities

A meeting of the directors may consist of a conference between directors some or all of whom are in different places provided that each director who participates in the meeting is able

25 5 1 to hear each of the other participating directors addressing the meeting, and

25 5 2 if he so wishes, to address each of the other participating directors simultaneously,

whether directly, by conference telephone or by any other form of communication equipment (whether in use when this Article 25 is adopted or developed subsequently) or by a combination of such methods. A quorum shall be deemed to be present if those conditions are satisfied in respect of at least the number and designation of directors required to form a quorum. A meeting held in this way shall

be deemed to take place at the place where the largest group of directors is assembled or, if no such group is readily identifiable, at the place from where the chairman of the meeting participates at the start of the meeting. Any director may by prior notice to the Secretary indicate that he wishes to attend in this manner in which event the board will procure that the appropriate conference facility is arranged.

25 6 Number of directors below minimum

The continuing directors or a sole continuing director may act notwithstanding any vacancies in their number, but, if the number of directors is less than the number fixed as the quorum, the continuing directors or director may act only for the purpose of filling vacancies or of calling a general meeting.

25 7 Chairman

The directors may appoint one of their number to be the chairman of the Board and may at any time remove him from that office. Unless he is unwilling to do so, the director so appointed shall preside at every meeting of directors at which he is present. But if there is no director holding that office, or if the director holding it is unwilling to preside or is not present within five minutes after the time appointed for the meeting, the directors present may appoint one of their number to be chairman of the meeting.

25 8 Validity of proceedings

All acts done by a meeting of directors, or of a committee of directors, or by a person acting as a director shall, notwithstanding that it be afterwards discovered that there was a defect in the appointment of any director or that any of them were disqualified from holding office, or had vacated office, or were not entitled to vote, be as valid as if every such person had been duly appointed and was qualified and had continued to be a director and had been entitled to vote.

25 9 Relaxation of restrictions

Subject to the provisions of the Act, the Company may by ordinary resolution suspend or relax to any extent, either generally or in respect of any particular matter, any provision of these Articles prohibiting a director from voting at a meeting of directors or of a committee of directors.

25 10 Appointment of directors to offices/employments

Subject to the provisions of the Act, where proposals are under consideration concerning the appointment of two or more directors to offices or employments with the Company or any body corporate in which the Company is interested the proposals may be divided and considered in relation to each director separately and (provided he is not for another reason precluded from voting) each of the directors concerned shall be entitled to vote and be counted in the quorum in respect of each resolution except that concerning his own appointment.

25 11 Ability of a director to vote

Subject to the provisions of the Act and these Articles, if a question arises at a meeting of directors or of a committee of directors as to the right of a director to vote, the question may, before the conclusion of the meeting, be referred to the chairman of the meeting and his ruling in relation to any director other than himself shall be final and conclusive.

26 ALTERNATE DIRECTORS

26 1 Appointment and Removal

Any director (other than an alternate director) may from time to time appoint any other director or any person to be an alternate director of the Company, and may at any time remove any alternate director so appointed by him from office, and appoint another person approved as aforesaid in his place. Any appointment of an alternate director may provide for two or more persons in the alternative to act as alternate director.

26 2 Notice of appointment or removal

Any such appointment or removal shall be by notice to the Company signed by the director making or revoking the appointment and shall take effect upon service on the Company at the office or in any other manner approved by the directors.

26 3 Cessation of appointment

An alternate director shall

26 3 1 ipso facto cease to be an alternate director if his appointor ceases for any reason to be a director,

26 3 2 cease to be an alternate director on the occurrence in relation to the alternate of any event which, if it occurred in relation to his appointor, would result in the termination of the appointor's appointment as a director.

26 4 Functions of alternate director

An alternate director shall be entitled (subject to his giving to the Company an address within the United Kingdom at which notices may be served on him) to receive notices of all meetings of directors and of committees of directors of which this appointor is a member, and to attend, to be counted in the quorum for and to vote as a director (with the same designation as the director appointing him) at any such meeting at which the director appointing him is not personally present and generally to perform all functions of his appointor as a director in the absence of such appointor including, without prejudice to the generality of the foregoing, power to sign any resolution pursuant to Article 25 3.

26 5 Alternate director responsible for own acts

An alternate director shall be deemed to be an officer of the Company and shall alone be responsible for his own acts and defaults and the director so appointing him shall not be responsible for the acts and defaults of an alternate director so appointed.

26 6 Remuneration

The remuneration of any such alternate director shall be payable out of the remuneration payable to the director appointing him and shall consist of such part (if any) of the last mentioned remuneration as may be agreed between the alternate director and the director appointing him.

26 7 Power to act

Save as otherwise provided in these Articles, an alternate director shall not have power to act as a director nor shall he be deemed to be a director for the purposes of these Articles.

27. REMUNERATION OF DIRECTORS

- 27 1 The directors shall be entitled to such remuneration as the Company may by ordinary resolution determine and, unless the resolution provides otherwise, the remuneration shall be deemed to accrue from day to day

28. DIRECTORS' EXPENSES

- 28 1 The directors may be paid all travelling, hotel, and other expenses properly incurred by them in connection with their attendance at meetings of directors or committees of directors or general meetings or separate meetings of the holders of any class of shares or of debentures of the Company or otherwise in connection with the discharge of their duties

29 DIRECTORS GRATUITIES AND PENSIONS

- 29 1 The directors may provide benefits, whether by the payment of gratuities or pensions or by insurance or otherwise, for any director who has held but no longer holds any executive office or employment with the Company or with any body corporate which is or has been a subsidiary of the Company or a predecessor in business of the Company or of any such subsidiary, and for any member of his family (including a spouse and a former spouse) or any person who is or was dependent on him, and may (as well before as after he ceases to hold such office or employment) contribute to any fund and pay premiums for the purchase or provision of any such benefit

30. DIRECTORS' INTERESTS

- 30 1 Subject to compliance, where applicable, with Article 30 2, a director, notwithstanding his office
- 30 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 interested,
- 30 1 2 may be a party to, or otherwise interested in, any transaction or arrangement with any holding company or subsidiary of the Company or any body corporate promoted by the Company or in which the Company is otherwise interested, or in which that holding company, subsidiary or body corporate is otherwise interested,
- 30 1 3 may be a director or other officer of, or employed by, or otherwise interested in, any holding company or subsidiary of the Company or any body corporate promoted by the Company or in which the Company is otherwise interested, or any shareholder of the Company or any holding company or subsidiary of the Company,
- 30 1 4 shall not, by reason of such interest, office or employment, be in breach of his duty to the Company to avoid a situation in which he has or can have a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company, and
- 30 1 5 shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any such transaction or arrangement or from any such office or employment or from any interest in any such holding company, subsidiary company or body corporate as is referred to in this Article 30 1, and no such

transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit

30 2 Each director shall disclose to the other directors the nature and extent of any interest in any transaction or arrangement proposed to be entered into by, or that has been entered into by, the Company to the extent required by and in accordance with the provisions of the Act

30 3 The directors may (subject to such terms and conditions, if any, as they may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation) authorise, to the fullest extent permitted by law

30 3 1 any matter which would otherwise result in a director infringing his duty to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest (including a conflict of interest and duty or conflict of duties),

30 3 2 a director to accept or continue in any office, employment or position in addition to his office as a director of the Company and without prejudice to the generality of Article 30 3 1 may authorise the manner in which a conflict of interest arising out of such office, employment or position may be dealt with, either before or at the time that such a conflict of interest arises,

provided that for this purpose the director in question and any other interested director are not counted in the quorum at any board meeting at which such matter, or such office, employment or position, is approved and it is agreed to without their voting or would have been agreed to if their votes had not been counted

30 4 If a matter, or office, employment or position, has been authorised by the directors in accordance with this Article then (subject to such terms and conditions, if any, as the directors may think fit to impose from time to time, and subject always to their right to vary or terminate such authorisation or the permissions set out below)

30 4 1 the director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position, and

30 4 2 the director may absent himself from discussions, whether in meetings of the directors or otherwise, and exclude himself from information, which will or may relate to that matter, or that office, employment or position

30 5 A director shall not be required to disclose any confidential information relating to such matter, or such office, employment or position as described under Article 30 1 3 above, to the Company if to make such a disclosure would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, or that office, employment or position

30 6 A director shall not, by reason of his office as a director of the Company, be accountable to the Company for any benefit which he derives from any matter, or from any office, employment or position, which has been approved by the directors pursuant to this Article

31 POWERS OF DIRECTORS

31 1 General powers

Subject to the provisions of the Act and these Articles and to any directions given by special resolution, the business of the Company shall be managed by the directors who may exercise all the powers of the Company. No alteration of the Articles and no such direction shall invalidate any prior act of the directors which would have been valid if that alteration had not been made or that direction had not been given. The powers given by this Article 31 1 shall not be limited by any special power given to the directors by these Articles and a meeting of directors at which a quorum is present may exercise all powers exercisable by the directors.

31 2 Appointment of agent

The directors may, by power of attorney or otherwise, appoint any person to be the agent of the Company for such purposes and on such conditions as they determine, including authority for the agent to delegate all or any of his powers.

31 3 Provision for employees on cessation of business

The directors may decide to make provision for the benefit of persons employed or formerly employed by the Company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the Company or that subsidiary.

32. SECRETARY

32 1 Subject to the provisions of the Act, a secretary may be appointed by the directors for such term, at such remuneration and upon such conditions as they may think fit, and any secretary so appointed may be removed by them.

33. MINUTES

33 1 The directors shall cause minutes to be made in books kept for the purpose

33 1 1 of all appointments of officers made by the directors, and

33 1 2 of all proceedings at meetings of the Company, of the holders of any class of shares in the Company, and of the directors, and of committees of directors, including the names of the directors present at each such meeting.

34. THE SEAL

34 1 The seal shall only be used by the authority of the directors or of a committee of directors authorised by the directors. The directors may determine who shall sign any instrument to which the seal is affixed and unless otherwise so determined it shall be signed by a director and by the secretary or by a second director.

35. OFFICIAL SEAL FOR USE ABROAD

35 1 Subject to the provisions of the Act and these Articles, the Company may have an official seal for use abroad, where and as the Board shall determine, and the Company may by writing under the seal appoint any agents or agent, committees or committee abroad to be the duly authorised agents of the Company, for the purpose of affixing and using such official seal, and may impose such restrictions on the use thereof as may be thought fit. Wherever in these Articles reference is

made to the seal, the reference shall, when and so far as may be applicable, be deemed to include any such official seal as aforesaid

36. DIVIDENDS

36 1 Final dividends

Subject to the provisions of the Act, the Company may by ordinary resolution declare dividends in accordance with the respective rights of the members, but no dividend shall exceed the amount recommended by the directors

36 2 Interim dividends

Subject to the provisions of the Act and these Articles, the directors may pay interim dividends if it appears to them that they are justified by the profits of the Company available for distribution. If the share capital is divided into different classes, the directors may pay interim dividends on shares which confer deferred or non-preferred rights with regard to dividend as well as on shares which confer preferential rights with regard to dividend, but no interim dividend shall be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear. The directors may also pay at intervals settled by them any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment. Provided the directors act in good faith they shall not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on any shares having deferred or non-preferred rights

36 3 Declaration of dividend

Subject to the provisions of the Act and except as otherwise provided by the rights attached to shares, all dividends shall be declared and paid according to the amounts paid up on the shares on which the dividend is paid. All dividends shall be apportioned and paid proportionately to the amounts paid up on the shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly

36 4 Distribution in specie

A general meeting declaring a dividend may, upon the recommendation of the directors, direct that it shall be satisfied wholly or partly by the distribution of assets and, where any difficulty arises in regard to the distribution, the directors may settle the same and in particular may issue fractional certificates and fix the value for distribution of any assets and may determine that cash shall be paid to any member upon the footing of the value so fixed in order to adjust the rights of members and may vest any assets in trustees

36 5 Payment of dividend

Any dividend or other moneys payable in respect of a share may be paid by cheque sent by post to the registered address of the person entitled or, if two or more persons are the holders of the share or are jointly entitled to it by reason of the death or bankruptcy of the holder, to the registered address of that one of those persons who is first named in the register of members or to such person and to such address as the person or persons entitled may in writing direct. Every cheque shall be made payable to the order of the person or persons entitled or to such other person as the person or persons entitled may in writing direct and

payment of the cheque shall be a good discharge to the Company. Any joint holder or other person jointly entitled to a share as aforesaid may give receipts for any dividend or other moneys payable in respect of the share.

36.6 No interest

No dividend or other moneys payable in respect of a share shall bear interest against the Company unless otherwise provided by the rights attached to the share.

36.7 Unclaimed dividends

Any dividend which has remained unclaimed for twelve years from the date when it became due for payment shall, if the directors so resolve, be forfeited and cease to remain owing by the Company.

37. CAPITALISATION OF PROFITS

The directors may with the authority of an ordinary resolution of the Company

37.1.1 subject as provided in these Articles, resolve to capitalise any undivided profits of the Company not required for paying any preferential dividend (whether or not they are available for distribution) or any sum standing to the credit of the Company's share premium account or capital redemption reserve,

37.1.2 appropriate the sum resolved to be capitalised to the members who would have been entitled to it if it were distributed by way of dividend and in the same proportions and apply such sum on their behalf either in or towards paying up the amounts, if any, for the time being unpaid on any shares held by them respectively, or in paying up in full unissued shares or debentures of the Company of a nominal amount equal to that sum, and allot the shares or debentures credited as fully paid to those members, or as they may direct, in those proportions, or partly in one way and partly in the other, but the share premium account, the capital redemption reserve, and any profits which are not available for distribution may, for the purposes of this Article, only be applied in paying up unissued shares to be allotted to members credited as fully paid,

37.1.3 make such provision by the issue of fractional certificates or by payment in cash or otherwise as they determine in the case of shares or debentures becoming distributable under this Article in fractions, and

37.1.4 authorise any person to enter on behalf of all the members concerned into an agreement with the Company providing for the allotment to them respectively, credited as fully paid, of any shares or debentures to which they are entitled upon such capitalisation, any agreement made under such authority being binding on all such members.

38. ACCOUNTS

38.1 No member of the Company shall (as such) have any right to inspect any accounting records or other book or document of the Company except as conferred by statute or authorised by the directors or by ordinary resolution of the Company.

39. NOTICES

39 1 Service of notices

Any notice to be given to or by any person pursuant to these Articles (other than a notice calling a meeting of the directors) shall be in writing to an address for the time being notified for that purpose to the person giving the notice. In this Article, "address", in relation to electronic form, includes any number or address used for the purposes of such communications.

39 2 Method of giving notice

The Company may give any notice to a member personally, by sending it by post in a prepaid envelope addressed to the member at his registered address, by leaving it at that address, or by giving it using electronic form to an address for the time being notified to the Company by the member

39 3 Joint holders

In the case of joint holders of a share, all notices shall be given to the joint holder whose name stands first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders

39 4 Overseas shareholders

A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him or an address to which notices may be sent using electronic form, shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company

39 5 **Presence at meeting**

A member present, either in person or by proxy, at any meeting of the Company or of the holders of any class of shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

39 6 Previous notices

Every person who becomes entitled to a share shall be bound by any notice in respect of that share which, before his name is entered in the register of members, has been duly given to a person from whom he derives his title

39 7 Proof of notice

Proof that an envelope containing a notice was properly addressed, prepaid and posted shall be conclusive evidence that the notice was given. Proof that a notice in electronic form was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that the notice was given.

39 8 Deemed receipt

Subject to the provisions of this Article 39 8, a notice shall be deemed to have been received

39 8 1 in the case of delivery by hand, when delivered, or

39 8 2 in the case of first class prepaid post, 48 hours after the envelope containing it was posted or (if sent airmail from overseas) on the fifth day following the day of posting.

39 8 3 in the case of e-mail, at the expiration of 24 hours after the time it was sent, and

39 8 4 in the case of facsimile, on acknowledgement of the addressee's facsimile receiving equipment (where such acknowledgement occurs before 1700 hours on the day of acknowledgement) and in any other case on the day following the day of acknowledgement

Any notice not received on a Business Day or received after 1700 hours local time on any Business Day in the place of receipt shall be deemed to be received on the next following Business Day

39 9 Notice to persons entitled on transmission

A notice may be given by the Company to the persons entitled to a share in consequence of the death or bankruptcy of a member by sending or delivering it, in any manner authorised by these Articles for the giving of notice to a member, addressed to them by name, or by the title of representatives of the deceased, or trustee of the bankrupt or by any like description at the address, if any, within the United Kingdom supplied for that purpose by the persons claiming to be so entitled. Until such an address has been supplied, a notice may be given in any manner in which it might have been given if the death or bankruptcy had not occurred

40. INDEMNITY

Subject to the provisions of the Act, the Company may

40 1 indemnify to any extent any person who is or was a director, or a director of any associated company, directly or indirectly (including by funding any expenditure incurred or to be incurred by him) against any loss or liability, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company, and/or

40 2 purchase and maintain insurance for any person who is or was a director, or a director of any associated company, against any loss or liability or any expenditure he may incur, whether in connection with any proven or alleged negligence, default, breach of duty or breach of trust by him or otherwise, in relation to the Company or any associated company

41 WINDING UP

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by the Act, divide among the members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may, with the like sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of the members as he with the like sanction determines, but no member shall be compelled to accept any assets upon which there is a liability