

Company number 4538848

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

POCKET LIVING LIMITED (Company)

The following written resolution having been duly proposed by the directors of the Company was duly passed by the Company as a special resolution on 31 March 2016.

SPECIAL RESOLUTION

"THAT, pursuant to Section 21 of the Act the articles of association accompanying this resolution and initialled by the chairman for the purposes of identification (the "New Articles") be and are hereby adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company "

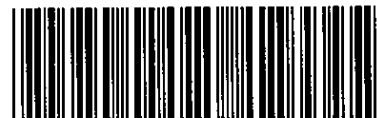
Signed



Director

For and on behalf of Pocket Living Limited

WEDNESDAY



A18 *A54D3QM1* #240
06/04/2016
COMPANIES HOUSE

2.

Company Number: 4538848

THE COMPANIES ACT 2006

**PRIVATE COMPANY
LIMITED BY SHARES**

(adopted by Special Resolution
on 31 March 2016)

**ARTICLES OF ASSOCIATION
OF
POCKET LIVING LIMITED**

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1 **Introduction**

1 1 The model articles for private companies limited by shares contained or incorporated in Schedule 1 to the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Date of Adoption (the "**Model Articles**") shall apply to the Company, save insofar as they are varied or excluded by, or are inconsistent with, the following Articles

1 2 In these Articles and the Model Articles any reference to any statutory provision shall be deemed to include a reference to each and every statutory amendment, modification, re-enactment and extension thereof for the time being in force.

1 3 In these Articles

1 3 1 article headings are used for convenience only and shall not affect the construction or interpretation of these Articles,

1 3 2 words denoting the singular include the plural and vice versa and reference to one gender includes the other gender and neuter and vice versa,

1.3.3 a reference to a holder, or the holder(s), of any class of Shares shall, in each case, be deemed to exclude any member holding Treasury Shares, and

1 3 4 articles 8(2), 9(4), 10(3), 11(2), 13, 14, 17(2), 17(3), 19, 21, 26(5), 27, 28, 29, 30(5) to (7) (inclusive), 36(1), 36(2), 44(4), 51, 52 and 53 of the Model Articles shall not apply to the Company

2 **Definitions**

In these Articles the following words and expressions have the following meanings

"A Consent" means the consent, in writing of the holders of not less than 75 per cent of the Ordinary A Shares (excluding any Treasury Shares) including (for so long as the Ordinary A1 Shares represent not less than 10 per cent of the Ordinary A Shares in issue (excluding any Treasury Shares)) the consent of any holder of Ordinary A1 Shares,

"Act" means the Companies Act 2006 (as amended from time to time);

"Acting in Concert" has the meaning given to it in The City Code on Takeovers and Mergers published by the Panel on Takeovers and Mergers (as amended from time to time),

"A1 Percentage" means the number of Ordinary A1 Shares (excluding any Treasury Shares) expressed as a percentage of all the Ordinary A Shares (excluding any Treasury Shares),

"A2 Percentage" means at any time 100 per cent less the A1

	Percentage,
"Associate"	in relation to any person means <ul style="list-style-type: none"> (a) any person who is an associate of that person and the question of whether a person is an associate of another is to be determined in accordance with section 435 of the Insolvency Act 1986 and (whether or not an associate as so determined); or (b) any Member of the same Group,
"Auditors"	means the auditors of the Company from time to time,
"Available Profits"	means the profits available for distribution within the meaning of part 23 of the Act;
"Bad Leaver"	means a person who ceases to be an Employee at any time by reason of <ul style="list-style-type: none"> (a) the voluntary resignation of the Employee, or (b) the Company (or a Group Company) terminating his contract of employment by serving notice (in accordance with the terms of that contract) in circumstances where the Employee is in such breach of his contract so as to justify summary dismissal and whom the holders of the Ordinary A1 Shares (excluding any Treasury Shares) have not determined to be a Good Leaver,
"B Consent"	means the consent, in writing of the holders of a majority of the Ordinary B Shares;
"B Value"	of an Ordinary B Share on a distribution of assets on liquidation or other return of capital or on a Share Sale, means, (a) if such Ordinary B Share is a Leaver Share the lower of (i) its Leaver Value and (ii) the value of such Share at the time of such distribution or Share Sale and (b) if such Ordinary B Share is not a Leaver Share the value of such Share at the time of such distribution or Share Sale,
"Board"	means the board of Directors and any committee of the board constituted for the purpose of taking any action or decision contemplated by these Articles,
"B Percentage"	means at any time the lower of <ul style="list-style-type: none"> (a) 14.5 per cent; and (b) 14.5 per cent multiplied by a fraction of which the numerator shall be 290 minus the number of Ordinary B Shares transferred to

the holder(s) of the Ordinary A2 Shares in accordance with Article 15 and minus the number of Ordinary B Shares transferred to the holder(s) of the Ordinary A1 Shares in accordance with Article 6 and the denominator shall be 290,

"Business Day"	means a day on which English clearing banks are ordinarily open for the transaction of normal banking business in the City of London (other than a Saturday or Sunday);
"Civil Partner"	means in relation to a Shareholder, a civil partner (as defined in the Civil Partnership Act 2004) of the Shareholder,
"Company"	means Pocket Living Limited (company number 4538848),
"Company's Lien"	has the meaning given in Article 29 1,
"connected"	means connected within the meaning of sections 993 and 994 of the Income Tax Act 2007 and/or sections 1122 and 1123 of the Corporation Tax Act 2010,
"Date of Adoption"	means the date on which these Articles were adopted,
"Deferred Shares"	means the deferred shares of £0.01 each in the capital of the Company,
"Director(s)"	means a director or directors of the Company from time to time,
"Effective Termination Date"	means in relation to an Employee the date on which such Employee's employment terminates,
"electronic address"	has the same meaning as in section 333 of the Act,
"electronic form" and "electronic means"	have the same meaning as in section 1168 of the Act;
"Eligible Director"	means a Director who would be entitled to vote on a matter had it been proposed as a resolution at a meeting of the Directors,
"Employee"	means an individual (other than Mr Vlessing or Mr Harbard) who is employed by the Company or any Group Company;
"Employee Shares"	<p>in relation to an Employee means all Ordinary B Shares held</p> <p>(a) by the Employee in question, and</p> <p>(b) by any Permitted Transferee of that Employee other than those Ordinary B Shares</p>

held by those persons that the Board declares itself satisfied were not acquired directly or indirectly from the Employee or by reason of his relationship with the Employee,

"Encumbrance"

means any mortgage, charge, security, interest, lien, pledge, assignment by way of security, equity, claim, right of pre-emption, option, covenant, restriction, reservation, lease, trust, order, decree, judgment, title defect (including without limitation any retention of title claim), conflicting claim of ownership or any other encumbrance of any nature whatsoever (whether or not perfected other than liens arising by operation of law),

"Expert Valuers"

is as determined in accordance with Article 13.2,

"Fair Value"

is as determined in accordance with Article 13.3;

"Family Trusts"

means as regards any particular individual member or deceased or former individual member, trusts (whether arising under a settlement, declaration of trust or other instrument by whomsoever or wheresoever made or under a testamentary disposition or on an intestacy) under which no immediate beneficial interest in any of the shares in question is for the time being vested in any person other than the individual and/or Privileged Relations of that individual, and so that for this purpose a person shall be considered to be beneficially interested in a share if such share or the income thereof is liable to be transferred or paid or applied or appointed to or for the benefit of such person or any voting or other rights attaching thereto are exercisable by or as directed by such person pursuant to the terms of the relevant trusts or in consequence of an exercise of a power or discretion conferred thereby on any person or persons,

"Financial Year"

means an accounting reference period (as defined by the Act) of the Company;

"Good Leaver"

means a person who ceases to be an Employee at any time and who is not a Bad Leaver or who is a Bad Leaver but the holders of the Ordinary A1 Shares (excluding any Treasury Shares) determine is a Good Leaver,

"Group"

means the Company and its Subsidiary Undertaking(s) (if any) from time to time and ***"Group Company"*** shall be construed accordingly;

"hard copy form"

has the same meaning as in section 1168 of the Act,

"Holding Company"

means a newly formed holding company, pursuant to which the membership, pro rata shareholdings

	and classes of shares comprised in such holding company matches that of the Company immediately prior to the transfer of the issued share capital of the Company to such holding company,
"Interested Director"	has the meaning ascribed thereto in Article 24.4,
"ITEPA"	means Income Tax (Earnings and Pensions) Act 2003,
"Leaver"	has the meaning ascribed thereto in Article 14.3;
"Leaver Shares"	has the meaning ascribed thereto in Article 14.3,
"Leaver Value"	has the meaning ascribed thereto in Article 14.3;
"Lien Enforcement Notice"	has the meaning given in Article 29.3;
"Liquidity Put Option"	has the meaning given in Article 6.1;
"a Member of the same Group"	means as regards any company, a company which is from time to time a Parent Undertaking or a Subsidiary Undertaking of that company or a Subsidiary Undertaking of any such Parent Undertaking,
"New Securities"	means any shares or other securities convertible into, or carrying the right to subscribe for, those shares, issued by the Company after the Date of Adoption, other than Ordinary B Shares,
"Offer Period"	has the meaning set out in Article 15.3,
"Offer"	has the meaning set out in Article 15.2;
"Ordinary A Shareholders"	means the holders of the Ordinary A Shares,
"Ordinary A1 Shares"	means the ordinary A1 shares of £0.01 each in the capital of the Company,
"Ordinary A2 Shares"	means the ordinary A2 shares of £0.01 each in the capital of the Company,
"Ordinary B Shareholders"	means the holders of the Ordinary B Shares,
"Ordinary B Shares"	means the ordinary B shares of £0.01 each in the capital of the Company,
"Original Shareholder"	has the meaning set out in Article 11.1,
"Permitted Transfer"	means a transfer of Shares: (a) a transfer of Ordinary A Shares to a Permitted Transferee,

- (b) the transfer of any Ordinary A2 Shares or economic rights in the same to any third party, provided that it is, if required by the holders of the Ordinary A1 Shares, demonstrated to the satisfaction of the holders of the Ordinary A1 Shares (acting reasonably) that the original transferor maintains voting rights and control of such Ordinary A2 Shares (the **"Share Control Condition"**),
- (c) the transfer of any Ordinary A2 Shares, to any third party, provided the transferor of such Ordinary A2 Shares continues to maintain control of at least 50% of the Ordinary A Shares following such transfer (the **"Company Control Condition"**), and
- (d) any transfer of (1) Ordinary A1 Shares to any holder of Ordinary A2 Shares or (2) Ordinary A2 Shares to any holder of Ordinary A1 Shares,

"Permitted Transferee" means:

- (a) in relation to a Shareholder who is an individual, any of his Privileged Relations, Trustees or nominees, and
- (b) in relation to a Shareholder which is an undertaking (as defined in section 1161(1) of the Act):
 - (i) any Associate of such Shareholder,
 - (ii) any Member of the same Group as such Shareholder;

"Priority Rights" means the rights of Shareholders to purchase Shares contained in a Transfer Notice in the priority stipulated in Article 12 6,

"Privileged Relation" in relation to a Shareholder who is an individual member or deceased or former member means a spouse, Civil Partner, child or grandchild (including step or adopted or illegitimate child and their issue);

"Proceeds of Sale" means the consideration payable (including any deferred consideration) whether in cash or otherwise to those Shareholders selling Shares under a Share Sale,

"Proposed Purchaser" means a proposed purchaser, not connected with any of the Selling Shareholders, who at the relevant time has made a bona fide offer on arm's length terms,

"Proposed Sale Date"	has the meaning given in Article 15.3,
"Proposed Sale Notice"	has the meaning given in Article 15 3,
"Proposed Sale Shares"	has the meaning given in Article 15 3,
"Proposed Seller"	means any Ordinary A Shareholder proposing to transfer any Ordinary A Shares;
"Proposed Transfer"	has the meaning given in Article 15 1,
"Qualifying Person"	has the meaning given in section 318(3) of the Act;
"Relevant A1 Percentage"	means the A1 Percentage minus the Relevant B Percentage;
"Relevant B Percentage"	means the A1 Percentage multiplied by the B Percentage,
"Relevant Interest"	has the meaning set out in Article 24 4,
"Sale Shares"	has the meaning set out in Article 12 2 1
"Sale B Shares"	has the meaning set out in Article 6 1,
"Seller"	has the meaning set out in Article 13 2,
"Selling Shareholders"	means the holders of a majority of the Ordinary A Shares,
"Selling B Shareholder"	has the meaning set out in Article 6 1,
"Share Sale"	means the completion of an agreement for the purchase of all the Shares comprised in the issued share capital of the Company (to the extent not already owned by the purchaser and persons Acting in Concert with or connected with the purchaser) or the acceptance of an offer as a result of which the offeror becomes entitled or bound to acquire the remainder of such Shares in accordance with the Act, except (i) any transfer of Shares to any person who is a Shareholder on the Date of Adoption or any Permitted Transferee of any such Shareholder and (ii) any transfer where following completion of the sale the Shareholders and the proportion of Shares held by each of them are the same as the Shareholders and their shareholdings in the Company immediately prior to the transfer,
"Shareholder"	means any holder of any Shares of whatever class, but excluding Treasury Shares,
"Shareholders' Agreement"	means any agreement relating (in whole or in part) to the management and/or affairs of the company, which is binding on the Ordinary A Shareholders and which (expressly or by implication) supplements and/or prevails over any provisions of these

Articles,

"Shares"	means the Ordinary A1 Shares, the Ordinary A2 Shares, the Ordinary B Shares and the Deferred Shares from time to time;
"Subsidiary", "Subsidiary Undertaking" and "Parent Undertaking"	have the respective meanings set out in sections 1159 and 1162 of the Act;
"Treasury Shares"	means shares in the capital of the Company held by the Company as treasury shares from time to time within the meaning set out in Section 724(5) of the Act;
"Trustees"	in relation to a Shareholder means the trustee or the trustees of a Family Trust, and
"Winding Up"	means the passing of any resolution for the winding up of the Company, or any other return of capital (on liquidation, capital reduction or otherwise)

3 Share capital

- 3.1 In these Articles, unless the context requires otherwise, references to Shares of a particular class shall include Shares allotted and/or issued after the Date of Adoption and ranking pari passu in all respects (or in all respects except only as to the date from which those Shares rank for dividend) with the Shares of the relevant class then in issue.
- 3.2 The Ordinary A1 Shares, the Ordinary A2 Shares, the Ordinary B Shares and the Deferred Shares shall constitute separate classes of Shares.
- 3.3 Whenever as a result of a consolidation of Shares any Shareholders would become entitled to fractions of a Share, the Directors may, on behalf of those Shareholders, 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 Shareholders, and the Directors may authorise any person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The purchaser 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.
- 3.4 When the Company sub-divides or consolidates all or any of its Shares, the Company may, subject to the Act and to these Articles, by ordinary resolution determine that, as between the Shares resulting from the sub-division or consolidation, any of them may have any preference or advantage or be subject to any restriction as compared with the others.
- 3.5 On any transfer of an Ordinary A1 Share to a holder of Ordinary A2 Shares, such Share shall automatically thereupon be redesignated as an Ordinary A2 Share and on any transfer of an Ordinary B Share to a holder of Ordinary A1 Shares or Ordinary A2 Shares, such Share shall automatically thereupon be redesignated as a Deferred Share.

- 3 6 The words "and the directors may determine the terms, conditions and manner of redemption of any such shares" shall be deleted from article 22(2) of the Model Articles.
- 3 7 Paragraph (c) of article 24(2) of the Model Articles shall be amended by the replacement of the words "that the shares are fully paid, and" with the words "the amount paid up on them, and"
- 3 8 In article 25(2) of the Model Articles, the words "payment of a reasonable fee as the directors decide" in paragraph (c) shall be deleted and replaced by the words "payment of the expenses reasonably incurred by the Company in investigating evidence as the directors may determine"

4 Dividends

- 4.1 All dividends paid by the Company in respect of the Company's Available Profits shall be apportioned to the holders of the Ordinary A Shares pro rata to the number of Ordinary A Shares held by each of them respectively.
- 4 2 Neither the Ordinary B Shares (as a class) nor the Deferred Shares (as a class) shall confer on the holders thereof any right to participate in any dividend in respect of the Company's Available Profits.
- 4.3 No dividend may be paid to the Company in respect of any Treasury Shares
- 4 4 Article 31(1) of the Model Articles shall be amended by
- 4 4 1 the replacement of the words "either in writing or as the directors may otherwise decide" at the end of paragraphs (a), (b) and (c) of that article 31(1) with the words "in writing", and
- 4 4.2 the replacement of the words "either in writing or by such other means as the directors decide" from the end of paragraph (d) of that article 31(1) with the words "in writing".
- 4 5 Subject to the Act, these Articles, and as otherwise agreed between the Company and the holders of the A Ordinary Shares, the Board may pay interim dividends if justified by the Company's Available Profits in respect of the relevant period.
- 4 6 Subject to these Articles, the Board may, if it is so authorised by an ordinary resolution and an A Consent has been given in respect thereof.
- 4 6 1 decide to capitalise any profits of the Company (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, and
- 4 6.2 appropriate any sum which it so decides to capitalise (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend or to such persons as shall be determined by the Board (in each case, in relation to any such capitalisation, the "**persons entitled**") and in the proportions to which they would be entitled to participate in if it were distributed by way of dividend, or in such other proportions as shall be determined by the Board.
- 4.7 A Capitalised Sum which was appropriated from profits available for distribution may be applied in or towards paying up any sums unpaid on existing Shares held by the persons entitled to such Capitalised Sum.

4 8 If

4 8.1 a Share is subject to the Company's Lien, and

4 8 2 the Directors are entitled to issue a Lien Enforcement Notice in respect of it,

they may, instead of issuing a Lien Enforcement Notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a Lien Enforcement Notice. Money so deducted shall be used to pay any of the sums payable in respect of that Share. The Company shall notify the distribution recipient in writing of

- (a) the fact and sum of any such deduction;
- (b) any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction, and
- (c) how the money deducted has been applied

5 Distribution and Exit rights

5 1 On a distribution of assets on a liquidation or a return of capital (other than a conversion, redemption or purchase of Shares) the surplus assets of the Company remaining after payment of its liabilities shall (to the extent that the Company is lawfully permitted so to do) be applied:

5 1 1 first, in payment to the Ordinary A Shareholders pro rata to the number of Ordinary A Shares held by each of them respectively until the aggregate amount paid under this Article 5 1 1 is £25,000,000, and

5.1.2 secondly, (i) if the remaining balance is less than £5,000,000, in payment to the Ordinary A Shareholders pro rata to the number of Ordinary A Shares held by each of them respectively and (ii) if the remaining balance is £5,000,000 or more, the remaining balance shall be paid:

- (a) as to the A2 Percentage in payment to the holders of the Ordinary A2 Shares (as a class) pro rata to the number of Ordinary A2 Shares held by each of them respectively;
- (b) as to the Relevant A1 Percentage in payment to the holders of the Ordinary A1 Shares (as a class) pro rata to the number of Ordinary A1 Shares held by each of them respectively, and
- (c) as to the Relevant B Percentage in payment to the holders of the Ordinary B Shares (as a class) pro rata to the number of Ordinary B Shares held by each of them respectively. Provided that if any Ordinary B Share is a Leaver Share the amount payable on such Ordinary B Share shall not exceed the B Value of such Ordinary B Share and any amount in excess of the B Value of such Ordinary B Share shall be allocated to the holders of the Ordinary A1 Shares pro rata to the number of Ordinary A1 Shares held by each of them respectively,

until the aggregate amount paid under this Article 5 1 2 is £1,000,000,000, and

5 1 3 thirdly, in payment to the holders of the Deferred Shares (as a class) pro rata to the number of Deferred Shares held by each of them respectively until each holder of Deferred Shares has received an amount equal to the nominal amount paid up on each of the Deferred Shares held by each of them respectively The Deferred Shares shall not confer on the holders thereof any further or other right to participate in any such distribution; and

5 1 4 any remaining balance shall be paid

- (a) as to the A2 Percentage in payment to the holders of the Ordinary A2 Shares (as a class) pro rata to the number of Ordinary A2 Shares held by each of them respectively;
- (b) as to the Relevant A1 Percentage in payment to the holders of the Ordinary A1 Shares (as a class) pro rata to the number of Ordinary A1 Shares held by each of them respectively; and
- (c) as to the Relevant B Percentage in payment to the holders of the Ordinary B Shares (as a class) pro rata to the number of Ordinary B Shares held by each of them respectively Provided that if any Ordinary B Share is a Leaver Share the amount payable on such Ordinary B Share shall not exceed the B Value of such Ordinary B Share and any amount in excess of the B Value of such Ordinary B Share shall be allocated to the holders of the Ordinary A1 Shares pro rata to the number of Ordinary A1 Shares held by each of them respectively

5 2 On a Share Sale, the Proceeds of Sale shall be distributed in the proportions and in the order of priority set out in Article 5 1 save that the order of priority set out in Article 5 1 2 shall be replaced with the following

"secondly, (i) if the remaining balance is less than £5,000,000, in payment to the Ordinary A Shareholders pro rata to the number of Ordinary A Shares held by each of them respectively and (ii) if the remaining balance is £5,000,000 or more, the remaining balance shall be paid

- (a) *as to the A2 Percentage in payment to the holders of the Ordinary A2 Shares (as a class) pro rata to the number of Ordinary A2 Shares held by each of them respectively; and*
- (b) *as to the A1 Percentage in payment to the holder of the Ordinary A1 Shares of an amount equal to all costs and expenses incurred by the holders of the Ordinary A1 Shares (as determined by such holders) in relation to the Share Sale in question and the balance shall be paid*
 - (i) *as to the Relevant A1 Percentage in payment to the holders of the Ordinary A1 Shares (as a class) pro rata to the number of Ordinary A1 Shares held by each of them respectively, and*
 - (ii) *as to the Relevant B Percentage in payment to the holders of the Ordinary B Shares (as a class) pro rata to the number of Ordinary B Shares held by each of them respectively Provided that if any Ordinary B Share is a Leaver Share the amount payable on such Ordinary B Share shall not exceed the B Value of such Ordinary B Share and any amount in excess of the B Value of such Ordinary B Share shall be allocated to the holders of the Ordinary A1 Shares*

pro rata to the number of Ordinary A1 Shares held by each of them respectively,

Until the aggregate amount paid under this Article 5.1.2 is £1,000,000,000,"

and the Directors shall not register any transfer of Shares pursuant to a Share Sale if the Proceeds of Sale are not so distributed provided that if the Proceeds of Sale are not settled in their entirety upon completion of the Share Sale

5 2 2 the Directors shall not be prohibited from registering the transfer of the relevant Shares so long as the Proceeds of Sale that are settled have been distributed in the order of priority set out in Article 5 2, and

5 2 3 the Shareholders shall take any action required by the Board to ensure that the Proceeds of Sale in their entirety are distributed in the order of priority set out in this Article 5.2

6 Liquidity Put Option

6 1 Any Ordinary B Shareholder (a "**Selling B Shareholder**") may require the holders of the Ordinary A1 Shares to purchase from such Ordinary B Shareholder all (but not some only) of his Ordinary B Shares (the "**Sale B Shares**") on the terms (including the price) set out in this Article 6 (the "**Liquidity Put Option**")

6 2 The Liquidity Put Option may be exercised by an Ordinary B Shareholder at any time prior to such Ordinary B Shareholder's Effective Termination Date by notice in writing served by the Selling B Shareholder on the holders of the Ordinary A1 Shares requiring the holders of the Ordinary A1 Shares to purchase the Sale B Shares in proportion to the Ordinary A Shares held by each of them respectively

6 3 The purchase price payable by the holders of the Ordinary A1 Shares to a Selling B Shareholder for the purchase of all of the Selling B Shareholder's Sale B Shares shall be £2,500 regardless of the number of Sale B Shares held by that Selling B Shareholder

6.4 Immediately upon the exercise of the Liquidity Put Option by a Selling B Shareholder there shall arise between such Selling B Shareholder and each of the holders of the Ordinary A1 Shares a binding agreement to sell and purchase such Selling B Shareholder's Sale B Shares free from all Encumbrances for the price set out in Article 6 3 If any holder of Ordinary A1 Shares is unable to discharge his obligation pursuant to the Liquidity Put Option to acquire the relevant Ordinary B Shares, the Selling Ordinary B Shareholder shall, without prejudice to his other rights and remedies, have the right to require the other holders of the Ordinary A1 Shares to acquire the relevant Sale B Shares on the same terms in proportion to their holdings of Ordinary A1 Shares

6 5 Completion of the sale and purchase of the Sale B Shares pursuant to the Liquidity Put Option shall take place at the registered office of the Company at 5 pm on such date as is stated in the Selling B Shareholder's notice pursuant to Article 6 2 (but in no event less than 5 and no more than 20 Business Days after the date of service of such notice) or at such place and/or at such time and/or on such date as may otherwise be agreed between Selling B Shareholder and the Ordinary A Shareholders, whereupon the holders of the Ordinary A1 Shares shall pay to the Selling B Shareholder by way of cheque the price set out in Article 6 3 for the sale of that Selling B Shareholder's Sale B Shares

- 6 6 On completion of the sale and purchase of Sale B Shares pursuant to the Liquidity Put Option, the Selling B Shareholder shall deliver to the holders of the Ordinary A1 Shares
- 6 6 1 a duly executed share transfer or transfers in respect of that Selling B Shareholder's Sale B Shares together with relevant share certificate(s) or (in the case of any share certificate(s) found to be missing) an indemnity in a form satisfactory to the holders of the Ordinary A1 Shares; and
- 6 6 2 in a form satisfactory to the holders of the Ordinary A1 Shares, a power of attorney executed by the Selling B Shareholder conferring on the relevant holders of the Ordinary A1 Shares the entitlement to exercise all rights exercisable by the Selling B Shareholder in respect of the Sale B Shares being transferred
- 6 7 The holders of the Ordinary A1 Shares shall not be bound to pay the amount set out in Article 6.3 in respect of the purchase of the Sale B Shares until the Selling B Shareholder shall have delivered his share certificate(s) (or an appropriate indemnity in respect of any lost certificates) in respect of his Sale B Shares to the holders of the Ordinary A1 Shares

7 Votes in general meeting

- 7.1 The Ordinary A Shareholders shall be entitled to receive notice of, and to attend and speak at, general meetings of the Company and to receive and vote (in proportion to their entitlement to vote on a poll at general meetings) on proposed written resolutions of the Company and shall be entitled to vote at general meetings of the Company as follows
- 7 1 1 on a show of hands, every Ordinary A Shareholder, in each case who (being an individual) is present in person or by proxy or (being a corporation) is present by a duly authorised representative or by proxy, shall have one vote, and
- 7 1 2 on a poll, every Ordinary A Shareholder, in each case who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy, shall have one vote for each Ordinary A Share held
- 7.2 Neither the Ordinary B Shares nor the Deferred Shares shall entitle the holders thereof to receive notice of, to attend, to speak or to vote at, any general meeting of the Company or to receive or vote on, or otherwise constitute an eligible member for the purposes of, proposed written resolutions of the Company
- 7 3 The Company shall not exercise any right in respect of any Treasury Shares, including without limitation, any right to
- 7.3.1 receive notice of or to attend or vote at any general meeting of the Company;
- 7 3 2 receive or vote on any proposed written resolution, and
- 7.3.3 receive a dividend or other distribution,
- save as otherwise permitted by section 726(4) of the Act

8 Variation of rights

- 8.1 Whenever the share capital of the Company is divided into different classes of shares, the special rights attached to any such class may only be varied or abrogated (either whilst the Company is a going concern or during or in contemplation of a winding-up) with the consent of the holders of more than 50 per cent in nominal value of the issued shares of that class (excluding any Treasury Shares)
- 8.2 Without prejudice to the generality of Article 8.1, in relation to any of the events set out in this Article 8.2, unless approved by a B Consent, the special rights attaching to the Ordinary B Shares shall be deemed to be varied by the occurrence of any of the following events in relation to the Company:
- 8.2.1 the amendment, repeal or waiver of any provision of, or addition to its articles of association which would vary the rights attaching to the Ordinary B Shares (as a class), and/or
- 8.2.2 the consolidation or sub-division of any of the Ordinary B Shares
- 8.3 The creation of a new class of shares which has preferential rights to one or more existing classes of shares or any variation of the rights of any class of shares to the detriment of any other class of shares shall constitute a variation of the rights of those existing classes of shares
- 8.4 No voting rights attached to a Share which is nil paid may be exercised
- 8.4.1 at any general meeting, at any adjournment of it or at any poll called at or in relation to it, or
- 8.4.2 on any proposed written resolution,
- unless all or some of the amounts payable to the Company in respect of that Share have been paid

9 Allotment of new shares or other securities: pre-emption

- 9.1 Subject to the other provisions of these Articles (including the remaining provisions of this Article 9), the Directors are generally and unconditionally authorised for the purpose of section 551 of the Act to exercise any power of the Company to
- 9.1.1 allot Ordinary B Shares, or
- 9.1.2 grant rights to subscribe for or convert any securities into Ordinary B Shares,
- to any persons, at any times and subject to any terms and conditions as the Directors think proper, provided that this authority:
- (a) shall be limited to a maximum nominal amount of £5.00,
- (b) shall only apply insofar as the Company in general meeting has not waived or revoked it,

- (c) may only be exercised for a period of five years commencing upon the Date of Adoption, save that the Directors may make an offer or agreement which would or might require Shares to be allotted or rights granted to subscribe for or convert any security into Ordinary B Shares after the expiry of such authority (and the Directors may allot Ordinary B Shares or grant such rights in pursuance of an offer or agreement as if such authority had not expired)

9.2 Subject to the remaining provisions of this Article 9, the Directors are empowered, pursuant to section 570 of the Act, to allot Ordinary B Shares for cash pursuant to the general authority conferred on them by Article 9.1 as if section 561(1) of the Act did not apply to any such allotment provided that this power shall be limited to the allotment of Ordinary B Shares and Deferred Shares up to an aggregate nominal amount of £5.00, and the power hereby conferred shall expire on the day prior to the fifth anniversary of the Date of Adoption, unless such power is renewed or extended prior to such expiry, except that the Company may before the expiry of any power conferred by this Article make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired

9 3 If the Company proposes to allot any New Securities, those New Securities shall not be allotted to any person unless the Company has in the first instance offered them to the Ordinary A Shareholders on the same terms and at the same price as those New Securities are being offered to other persons on a pari passu and pro rata basis to the number of Ordinary A Shares held by those holders (as nearly as may be without involving fractions) The offer:

9 3 1 shall be in writing, give details of the number and subscription price of the New Securities, and

9 3.2 may stipulate that any Shareholder who wishes to subscribe for a number of New Securities in excess of the proportion to which each is entitled shall in their acceptance state the number of excess New Securities ("**Excess Securities**") for which they wish to subscribe

9 4 Any New Securities not accepted by Ordinary A Shareholders pursuant to the offer made to them in accordance with Article 9 3 shall be used for satisfying any requests for Excess Securities made pursuant to Article 9 3 and if there are insufficient Excess Securities to satisfy such requests, the Excess Securities shall be allotted to the applicants on a pro rata basis to the number of Ordinary A Shares held by the applicants immediately prior to the offer made to Ordinary A Shareholders in accordance with Article 9.2 (as nearly as may be without involving fractions or increasing the number allotted to any Ordinary A Shareholder beyond that applied for by him) and after that allotment, any Excess Securities remaining shall be offered to any other person as the Directors may determine at the same price and on the same terms as the offer to the Ordinary A Shareholders in accordance with Article 9 2.

9 5 Subject to the provisions of section 551 of the Act, any New Securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to any persons at those times and generally on the terms and conditions they think proper provided that the allotment or grant to that person must be approved in writing by an A Consent

9 6 The provisions of Articles 9 3 to 9.5 shall not apply to

- 9.6.1 the allotment of Ordinary B Shares or options to subscribe for Ordinary B Shares and the allotment of Ordinary B Shares upon the exercise of any such option;
- 9 6 2 the allotment of Deferred Shares,
- 9.6.3 New Securities which an A Consent has agreed in writing should be allotted without complying with the procedure set out in this Article 9, and/or
- 9 6 4 New Securities allotted as a result of a bonus issue of shares in accordance with these Articles which has been approved in writing by A Consent

10 Transfers of Shares – general

- 10 1 In Articles 10 to 16 (inclusive), reference to the transfer of a Share includes the transfer or assignment of a beneficial or other interest in that Share or the creation of a trust or Encumbrance over that Share and reference to a Share includes a beneficial or other interest in a Share
- 10 2 No Share may be transferred unless the transfer is made in accordance with these Articles
- 10 3 No Ordinary B Share may be transferred save as described in Article 11 2 If an Ordinary B Shareholder transfers or purports to transfer an Ordinary B Share otherwise than in accordance with these Articles he will be deemed immediately to have served a Transfer Notice in respect of all Ordinary B Shares held by him
- 10 4 Any transfer of a Share by way of sale which is required to be made under Articles 12 to 16 (inclusive) will be deemed to include a warranty that the transferor sells with full title guarantee.
- 10 5 Unless express provision is made in these Articles or any Shareholders' Agreement to the contrary, no Share shall be transferred without an A Consent, save that any Ordinary A Share may be transferred by the holder thereof to a Permitted Transferee of such Ordinary A Shareholder or in accordance with Article 15 or Article 16, in each case without an A Consent
- 10 6 The Directors may refuse to register a transfer if
 - 10 6 1 it is a transfer of a Share to a bankrupt, a minor or a person of unsound mind;
 - 10 6 2 the transfer is to an Employee, Director or prospective Employee or prospective director of the Company or of any other Group Company and such person has not entered in an election under Section 431(1) of ITEPA with the Company;
 - 10.6.3 it is a transfer of a Share which is not fully paid
 - (a) to a person of whom the Directors do not approve, or
 - (b) on which the Company has a Company's Lien,
 - 10 6 4 the transfer is not lodged at the registered office or at such other place as the Directors may appoint,

10.6.5 the transfer is not accompanied by the certificate for the Shares to which it relates (or, where such certificate cannot be found, an executed indemnity, in a form acceptable to the Directors) and such other evidence as the Directors may reasonably require to show the right of the transferor to make the transfer,

10.6.6 the transfer is in respect of more than one class of Shares, or

10.6.7 the transfer is in favour of more than four transferees

If the Directors refuse to register a transfer, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent

10.7 The Directors may, as a condition to the registration of any transfer of Shares (whether pursuant to a Permitted Transfer or otherwise), require the transferee to execute and deliver to the Company a deed agreeing to be bound by the terms of any Shareholders' Agreement or similar document in force between some or all of the Shareholders and the Company in any form as the Directors may reasonably require (but not so as to oblige the transferee to have any obligations or liabilities greater than those of the proposed transferor under any such agreement or other document) and if any condition is imposed in accordance with this Article 10.7 the transfer may not be registered unless that deed has been executed and delivered to the Company's registered office by the transferee

10.8 To enable the Directors to determine whether or not there has been a disposal of any Shares (or of any interest in any Shares) in breach of these Articles, the Directors may require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or any other person who the Directors may reasonably believe to have information relevant to that purpose, to furnish to the Company such information and evidence as the Directors may request regarding any matter which they deem relevant to that purpose, including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name. If the information or evidence is not provided to enable the Directors to determine to their reasonable satisfaction that no breach has occurred, or where as a result of the information and evidence the Directors are reasonably satisfied that a breach has occurred, the Directors shall immediately notify the holder of such Shares in writing of that fact and the relevant Shares shall cease to confer upon the holder of them (including any proxy appointed by the holder) any rights

10.8.1 to vote (whether on a show of hands or on a poll and whether exercisable at a general meeting or on a written resolution of the Company or at any separate meeting or written resolution of the class in question), or

10.8.2 to receive dividends or other distributions otherwise attaching to those Shares or to any further Shares issued in respect of those Shares; and

The rights referred to in 10.8 and 10.8.2 may be reinstated by the Board subject to A Consent.

10.9 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the Director(s), which is executed by or on behalf of:

10.9.1 the transferor, and

10 9 2 (if any of the Shares is partly or nil paid) the transferee

- 10.10 No Shares shall be allotted (nor any Treasury Shares be transferred) to any Employee, Director, prospective Employee or prospective director of the Company unless, if so required by the Board, such person has entered into an election under Section 431(1) of ITEPA with the Company with the Company and the provisions of Article 10 have been complied with
- 10 11 The Company shall only be permitted to sell or transfer any Shares held as Treasury Shares to any person with A Consent. A transfer of Shares so approved may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors

11 Permitted Transfers

- 11 1 Subject to the terms of any Shareholders' Agreement, an Ordinary A Shareholder (the "**Original Shareholder**") may undertake a Permitted Transfer without requiring the consent of any other Shareholder under these Articles, and without restriction as to price or otherwise.
- 11 2 Save in accordance with Article 6, Article 11 3, Article 15 or Article 16, an Ordinary B Shareholder may not transfer all or any of his Ordinary B Shares to any person without an A Consent and then only on such terms as the A Shareholders shall, in their absolute discretion (by an A Consent), determine
- 11 3 Where under the provision of a deceased Shareholder's will or laws as to intestacy, the persons legally or beneficially entitled to any Ordinary A Shares or Ordinary B Shares whether immediately or contingently, are Permitted Transferees of the deceased Shareholder, the legal representative of the deceased Shareholder may transfer any Share to those Permitted Transferees, in each case without restriction as to price or otherwise. Shares previously transferred as permitted by this Article 11 3 may be transferred by the transferee to any other Permitted Transferee of the Original Shareholder without restriction as to price or otherwise
- 11 4 If in respect of any Permitted Transfer the Share Control Condition, or Company Control Condition (as applicable) cease to be met, or the transferee ceases to be a Permitted Transferee the Ordinary A Shares which were subject to the original Permitted Transfer must, not later than five Business Days after the date on which the applicable condition ceased to be met, be transferred back to the Original Shareholder, or Member of the same Group as the Original Shareholder (which in either case is not in liquidation) without restriction as to price or otherwise failing which it will be deemed to have given a Transfer Notice in respect of those Shares
- 11 5 Trustees of which an Original Shareholder is a beneficiary of the Family Trust concerned may: (i) transfer Ordinary A Shares to a company in which they hold the whole of the share capital and which they control (a "**Qualifying Company**"), or (ii) transfer Ordinary A Shares to the Original Shareholder or to another Permitted Transferee of the Original Shareholder, or (iii) transfer Ordinary A Shares to the new or remaining trustees upon a change of Trustees without restrictions as to price or otherwise.
- 11.6 No transfer of Ordinary A Shares may be made to Trustees unless the Board is satisfied (acting reasonably)

- 11 6 1 with the terms of the trust instrument and in particular with the powers of the trustees;
 - 11 6 2 with the identity of the proposed trustees,
 - 11 6 3 the proposed transfer will not result in 50 per cent. or more of the aggregate of the Company's equity share capital being held by trustees of that and any other trusts, and
 - 11 6 4 that no costs incurred in connection with the setting up or administration of the Family Trust in question are to be paid by the Company
- 11 7 If a company to which an Ordinary A Share has been transferred under Article 11 5, ceases to be a Qualifying Company it must within five Business Days of so ceasing, transfer the Ordinary A Shares held by it to the Trustees or to a Qualifying Company (and may do so without restriction as to price or otherwise) failing which it will be deemed to have given a Transfer Notice in respect of such Shares
- 11.8 If a Permitted Transferee who is a spouse or Civil Partner of the Original Shareholder ceases to be a spouse or Civil Partner of the Original Shareholder whether by reason of divorce or otherwise (but not death) he must, within 15 Business Days of so ceasing either.
- 11 8 1 execute and deliver to the Company a transfer of the Shares held by him to the Original Shareholder (or to any Permitted Transferee of the Original Shareholder) for such consideration as may be agreed between them, or
 - 11 8.2 give a Transfer Notice to the Company in respect of such Shares in accordance with Article 12 2,
- failing which he shall be deemed to have given a Transfer Notice
- 11 9 On the death (subject to Article 11 3), bankruptcy, liquidation, administration or administrative receivership of a Permitted Transferee (other than a joint holder) his personal representatives or trustee in bankruptcy, or its liquidator, administrator or administrative receiver must within five Business Days after the date of the grant of probate, the making of the bankruptcy order or the appointment of the liquidator, administrator or the administrative receiver execute and deliver to the Company a transfer of the Ordinary A Shares held by the Permitted Transferee without restriction as to price or otherwise. The transfer shall be to the Original Shareholder if still living (and not bankrupt or in liquidation) or, if so directed by the Original Shareholder (or, where the Original Shareholder is deceased, the legal representatives of that Original Shareholder), to any Permitted Transferee of the Original Shareholder. If the transfer is not executed and delivered within five Business Days of such period or if the Original Shareholder is bankrupt or is in liquidation, administration or administrative receivership, the personal representative or trustee in bankruptcy or liquidator, administrator or administrative receiver will be deemed to have given a Transfer Notice
- 11 10 Without prejudice to Article 15, a transfer of any Shares approved by an A Consent may be made without restriction as to price or otherwise and each transfer shall be registered by the Directors

- 11 11 Any Shares may at any time be transferred where there is a sale of the entire issued share capital of the Company to a Holding Company, which has been approved by an A Consent

12 Transfers of Shares subject to pre-emption rights

- 12.1 Save where the provisions of Article 6, Article 11, Article 15 and Article 16 apply, any transfer of Ordinary A Shares by a Shareholder shall be subject to the pre-emption rights contained in this Article 12.

- 12 2 A Shareholder who wishes to transfer Ordinary A Shares and is permitted or required under these Articles to do so (a **"Seller"**) shall, except as otherwise provided in these Articles, before transferring or agreeing to transfer any such Shares give notice in writing (a **"Transfer Notice"**) to the Company specifying

12 2 1 the number of Ordinary A Shares which he wishes to transfer (the **"Sale Shares"**);

12 2 2 if he wishes to sell the Sale Shares to a third party, the name of the proposed transferee,

12 2 3 the price (in cash) at which he wishes to transfer the Sale Shares (which will be deemed to be Fair Value of the Sale Shares if no cash price is agreed between the Seller and the Board (the **"Transfer Price"**), and

12 2 4 whether the Transfer Notice is conditional on all or a specific number of the Sale Shares being sold to Shareholders (a **"Minimum Transfer Condition"**)

- 12 3 Except with A Consent, no Transfer Notice once given or deemed to have been given under these Articles may be withdrawn

- 12 4 A Transfer Notice constitutes the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price

- 12 5 As soon as practicable following the later of

12 5.1 receipt of a Transfer Notice, and

12.5.2 in the case where the Transfer Price has not been specified or the Transfer Notice is deemed to have been served, the determination of the Transfer Price under Article 13,

the Board shall offer the Sale Shares for sale to the A Shareholders in the manner set out in Articles 13 6 to 13 8 Each offer must be in writing and give details of the number and Transfer Price of the Sale Shares offered.

- 12 6 Priority for offer of Sale Shares

12.6.1 The Sale Shares shall be offered in the following priority

- (a) first, to the other holders (if any) of Shares of the same class as the Sale Shares,
- (b) to the holders of the Shares of the other class of Ordinary A Shares, and

- (c) third to such person or persons as the Ordinary A Shareholders (acting by an A Consent) shall nominate for such purpose

12.7 Transfers: First Offer

12.7.1 The Board shall offer the Sale Shares, pursuant to the Priority Rights to all Shareholders specified in the offer other than the Seller (the "**Continuing Shareholders**") inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the offer (inclusive) (the "**First Offer Period**") for the maximum number of Sale Shares they wish to buy

12.7.2 If the Sale Shares are subject to a Minimum Transfer Condition then any allocation made under Articles 12.7 and 12.8 will be conditional on the fulfilment of the Minimum Transfer Condition

12.7.3 If, at the end of the First Offer Period, the number of Sale Shares applied for is equal to or exceeds the number of Sale Shares, the Board shall allocate the Sale Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number with 0.5 being rounded up) which his existing holding of the relevant class of Shares bears to the total number of the relevant class of Shares held by those Continuing Shareholders who have applied for Sale Shares but no allocation shall be made to a Shareholder of more than the maximum number of Sale Shares which he has stated he is willing to buy

12.7.4 If not all Sale Shares are allocated in accordance with Article 12.7.3 but there are applications for Sale Shares that have not been satisfied those Sale Shares shall be allocated to the relevant applicant(s) in accordance with the procedure set out in Article 12.7.3.

12.7.5 If, at the end of the First Offer Period, the number of Sale Shares applied for is less than the number of Sale Shares, the Board shall allocate the Sale Shares to the Continuing Shareholders in accordance with their applications and the balance (the "**Initial Surplus Shares**") will be dealt with in accordance with Article 12.8

12.8 Transfers: Second Offer

12.8.1 At the end of the First Offer Period, the Board shall offer the Initial Surplus Shares to all the Continuing Shareholders inviting them to apply in writing within the period from the date of the offer to the date 15 Business Days after the date of the offer (inclusive) (the "**Second Offer Period**") for the maximum number of the Initial Surplus Shares they wish to buy

12.8.2 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for exceeds the number of Initial Surplus Shares, the Board shall allocate the remaining Initial Surplus Shares to each Continuing Shareholder in the proportion (fractional entitlements being rounded to the nearest whole number) which his existing holding of Shares bears to the total number of Shares (including Sale Shares) held by those Continuing Shareholders who have applied during the Second Offer Period for Initial Surplus Shares but no allocation shall be made to a Shareholder of more than the maximum number of Initial Surplus Shares which he has stated he is willing to buy

12.8.3 If, at the end of the Second Offer Period, the number of Initial Surplus Shares applied for is less than the number of Initial Surplus Shares, the Board shall allocate the Initial Surplus Shares to the Continuing Shareholders in accordance with their applications and the balance (the **"Second Surplus Shares"**) will be offered to any other person in accordance with Article 12.9.5

12.9 Completion of transfer of Sale Shares

12.9.1 If the Transfer Notice includes a Minimum Transfer Condition and the total number of Shares applied for is less than the number of Sale Shares the Board shall notify the Seller and all those to whom Sale Shares have been conditionally allocated under Articles 12.6 and 12.8 stating the condition has not been met and that the relevant Transfer Notice has lapsed with immediate effect

12.9.2 If

(a) the Transfer Notice does not include a Minimum Transfer Condition, and

(b) allocations have been made in respect of all the Sale Shares,

the Board shall, when no further offers are required to be made under Articles 12.6 and 12.8, give written notice of allocation (an **"Allocation Notice"**) to the Seller and each Shareholder to whom Sale Shares have been allocated (an **"Applicant"**) specifying the number of Sale Shares allocated to each Applicant and the place and time (being not less than 10 Business Days nor more than 20 Business Days after the date of the Allocation Notice) for completion of the transfer of the Sale Shares

12.9.3 Upon service of an Allocation Notice, the Seller must, against payment of the Transfer Price, transfer the Sale Shares in accordance with the requirements specified in it

12.9.4 If the Seller fails to comply with the provisions of Article 12.9.3

(a) the chairman of the Company or, failing him, one of the Director(s), or some other person nominated by a resolution of the Board, may on behalf of the Seller

(i) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Sale Shares to the Applicants,

(ii) receive the Transfer Price and give a good discharge for it, and

(iii) (subject to the transfer being duly stamped) enter the Applicants in the register of Shareholders as the holders of the Shares purchased by them, and

(b) the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an

indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate).

12 9.5 If an Allocation Notice does not relate to all the Sale Shares then, subject to Article 12 9.6, the Seller may, within eight weeks after service of the Allocation Notice, transfer the Second Surplus Shares to any person at a price at least equal to the Transfer Price provided that the sale of the Second Surplus Shares shall continue to be subject to any Minimum Transfer Conditions.

12 9 6 The right of the Seller to transfer Shares under Article 12 9 5 does not apply if the Board is of the opinion on reasonable grounds that:

- (a) the transferee is a person (or a nominee for a person) who is a competitor with (or an Associate of a competitor with) the business of the Company or with a Subsidiary Undertaking of the Company,
- (b) the sale of the Sale Shares is not bona fide or the price is subject to a deduction, rebate or allowance to the transferee; or
- (c) the Seller has failed or refused to provide promptly information available to it or him and reasonably requested by the Board for the purpose of enabling it to form the opinion mentioned above

12 10 The restrictions imposed by this Article may be waived in relation to any proposed transfer of Shares with A Consent

13 Valuation of Shares

13.1 If the Fair Value of any Leaver Shares falls to be determined in accordance with Article 14 3 the Board shall appoint Expert Valuers in accordance with Article 13 2 to certify the Fair Value of the Sale Shares

13 2 The Expert Valuers will be either

13 2.1 the Auditors; or

13 2 2 (if so specified in the relevant Transfer Notice) an independent firm of chartered accountants to be agreed between the Board and the Leaver or failing agreement not later than the date 10 Business Days after the date of service of the Transfer Notice to be appointed by the then President of the Institute of Chartered Accountants in England and Wales on the application of either party

13 3 The "**Fair Value**" of the Leaver Shares shall be determined by the Expert Valuers on the following assumptions and bases:

13 3 1 valuing the Leaver Shares as on an arm's-length sale between a willing seller and a willing buyer,

13 3 2 if the Company is then carrying on business as a going concern, on the assumption that it will continue to do so,

- 13.3.3 that the Leaver Shares are capable of being transferred without restriction;
- 13.3.4 valuing the Leaver Shares as a rateable proportion of the total value of all the issued Shares without any premium or discount being attributable to the percentage of the issued share capital of the Company which they represent; and
- 13.3.5 reflect any valuation criteria set out in any Shareholders' Agreement, failing which, any other factors which the Expert Valuers reasonably believe should be taken into account
- 13.4 If any difficulty arises in applying any of these assumptions or bases then the Expert Valuers shall resolve that difficulty in whatever manner they shall in their absolute discretion think fit
- 13.5 The Expert Valuers shall be requested to determine the Fair Value within 20 Business Days of their appointment and to notify the Board of their determination
- 13.6 The Expert Valuers shall act as experts and not as arbitrators and their determination shall be final and binding on the parties (in the absence of fraud or manifest error)
- 13.7 The Board will give the Expert Valuers access to all accounting records or other relevant documents of the Company subject to them agreeing such confidentiality provisions as the Board may reasonably impose
- 13.8 The Expert Valuers shall deliver their certificate to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Leaver
- 13.9 The cost of obtaining the certificate shall be paid by the Company

14 Employees – Leaver Provisions and Mandatory Transfer of Ordinary B Shares

- 14.1 If any Employee ceases for any reason to be an Employee in circumstances in which the relevant Employee is a Bad Leaver, unless otherwise determined by an A Consent, all of all his Employee Shares shall be transferred to whichever holder of Ordinary A1 Shares shall hold the greatest number of Ordinary A1 Shares (and if more than one to each of them in equal proportions (so far as practicable without involving fractions)) on such Employee's Effective Termination Date. In such circumstances the price for such Employee Shares (the "**Transfer Price**") shall be the nominal value of all his Employee Shares
- 14.2 If the holder(s) of the Employee Shares concerned (the "**Employee Seller**") fails to comply with the provisions of Article 14.1:
- 14.2.1 the chairman of the Company or, failing him, one of the Director(s), or some other person nominated by a resolution of the Board, may on behalf of the Employee Seller:
- (a) complete, execute and deliver in his name all documents necessary to give effect to the transfer of the relevant Employee Shares to the transferee(s),
 - (b) receive the Transfer Price and give a good discharge for it, and

- (c) (subject to the transfer being duly stamped) enter the name(s) of the transferee(s) in the register of Shareholders as the holder(s) of the Shares so purchased, and

14.2.2 the Company shall pay the Transfer Price into a separate bank account in the Company's name on trust (but without interest) for the Employee Seller until he has delivered to the Company his certificate or certificates for the relevant Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate)

14 3 If any Employee ceases for any reason to be an Employee in circumstances in which the relevant Employee is a Good Leaver (such Employee being the "**Leaver**", which expression shall include the legal personal representatives of such Employee in the event of his death or incapacity) the value of his Employee Shares (the "**Leaver Shares**") shall be agreed between the Leaver and the Board or, in the absence of such agreement, within 28 days the Effective Termination Date shall be the Fair Value determined by Expert Valuers in accordance with Article 13. The value per Share so agreed or the Fair Value per Share so determined shall be the "**Leaver Value**" of each of the Leaver Shares. The Employee shall be under no obligation to transfer such Shares, and shall continue to hold them subject to the remaining provisions of these Articles

14 4 On each occasion that any Ordinary A1 Shares are transferred to any holder of Ordinary A2 Shares (a "**Relevant A1 Transfer**"), each holder of Ordinary B Shares (each a "**B Shareholder**") shall be required to transfer the Relevant Number of Ordinary B Shares (such number of Ordinary B Shares being such holder's "**Transfer Ordinary B Shares**") to the same holder of Ordinary A2 Shares (the "**Transferee**") for the Ordinary B Share Consideration

14 5 Not less than five Business Days prior to the date on which the Relevant A1 Transfer is proposed to be made, the Transferee shall give notice in writing (a "**Purchase Notice**") to each B Shareholder of the fact that a transfer of Ordinary A1 Shares is to be made and stating:

14 5 1 the identity of the Transferee,

14 5 2 the number of the Ordinary A1 Shares the subject of the Relevant A1 Transfer (the "**Relevant A1 Shares**"),

14.5.3 the Transferring Ordinary A1 Share Percentage,

14 5 4 the Relevant Number of such B Shareholder's Transfer Ordinary B Shares and,

14 5 5 if then known, that part of the Ordinary B Share Consideration which is expected to be paid on B Completion (as defined below)

and within five Business Days each B Shareholder shall deliver to the Company a duly executed stock transfer form for his Transfer Ordinary B Shares in favour of the Transferee, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof). Completion of the transfer of the Transfer Ordinary B Shares ("**B Completion**") shall take place simultaneously with the completion of the Relevant A1 Transfer.

14 6 If a B Shareholder fails to deliver a duly executed Stock Transfer Form and share certificate(s) (or suitable indemnity) for his Transfer Ordinary B Shares within five Business Days of the date of the Purchase Notice, the Directors shall, if

requested by the Transferee, authorise any Director to transfer the B Shareholder's Transfer Ordinary B Shares on the B Shareholder's behalf to the Transferee. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid

- 14.7 The Ordinary B Share Consideration shall be paid to the B Shareholder at the same time as (and on each occasion that) any payment for the Relevant A1 Shares is made to the holder(s) of the Ordinary A1 Shares the subject of the Relevant A1 Transfer.
- 14.8 If B Completion does not occur within 10 Business Days of the date of the Purchase Notice, each B Shareholder shall be entitled to the return of the stock transfer form and share certificate (or suitable indemnity) for the Transfer Ordinary B Shares and no B Shareholder shall have any further rights or obligations under Articles 14.4 to 14.9 (inclusive) in respect of the Transfer Ordinary B Shares unless and until a further Purchase Notice is issued
- 14.9 For the purposes of this Article 14 the following words and expressions shall bear the following meanings

"Equity Value"

means the equity value of the Company calculated for the purposes of any Relevant A1 Transfer in accordance with the terms of any Shareholders' Agreement;

"Relevant Number"

means, in relation to any B Shareholder, such number of Ordinary B Shares as is equal to the Transferring Ordinary A1 Share Percentage of all the Ordinary B Shares held by such B Shareholder immediately prior to the Relevant A1 Transfer (rounded up or down to the nearest whole number with 0.5 being rounded up provided that such rounding does not result in a number greater than the number of Ordinary B Shares held by such B Shareholder, in which event 0.5 shall be rounded down),

"Transferring Ordinary A1 Share Percentage"

means the number of Ordinary A1 Shares the subject of the Relevant A1 Transfer, expressed as a percentage of all the Ordinary A1 Shares in issue at the time of the Relevant A1 Transfer,

"Ordinary B Share Consideration"

means the lower of (i) the Leaver Value (if applicable) and (ii) an amount determined in accordance with the following formula:

$$((A \times (1/(1-BP))) \times BP) \times (N/T)$$

A = total amount received by the holders of the Ordinary A1 Shares the subject of the Relevant A1 Transfer

(net of any amount set off or withheld in respect of any claim against any holder(s) of the Ordinary A1 Shares so transferred)

BP = (i) if the Equity Value is less than £30,000,000 zero per cent and (ii) if the Equity Value is £30,000,000 or more B/C (expressed as a percentage but so that 2.5% shall be expressed as 0.025) where B is the excess Equity Value over £25,000,000 multiplied by the B Percentage at the time of the Relevant A1 Transfer and C is the Equity Value

N = the number of Ordinary B Shares held by the B Shareholder immediately prior to the Relevant A1 Transfer

T = the total number of Ordinary B Shares in issue immediately prior to the Relevant A1 Transfer

Provided that the Ordinary B Share Consideration shall never be less than £1.00

15 Tag-along

- 15.1 Except in the case of Permitted Transfers, the provisions of Article 15.2 will apply if one or more Proposed Sellers propose to transfer in one or a series of transactions any Ordinary A Shares (the **"Proposed Transfer"**) which would, if put into effect, result in any Proposed Purchaser (and Associates of his or persons Acting in Concert with him) who does not own a majority of the Ordinary A Shares thereby acquiring a majority of the Ordinary A Shares
- 15.2 A Proposed Seller must, before making a Proposed Transfer procure the making by the Proposed Purchaser of an offer (the **"Offer"**) to the other Shareholders to acquire all of the Shares held by them for a consideration per share the value of which is at least equal to the Specified Price (as defined in Article 15.6).
- 15.3 The Offer must be given by written notice (a **"Proposed Sale Notice"**) at least 10 Business Days (the **"Offer Period"**) prior to the proposed sale date (**"Proposed Sale Date"**). The Proposed Sale Notice must set out, to the extent not described in any accompanying documents, the identity of the Proposed Purchaser, the purchase price and other terms and conditions of payment, the Proposed Sale Date and the number of Shares proposed to be purchased by the Proposed Purchaser (the **"Proposed Sale Shares"**)
- 15.4 If any holder of Shares is not given the rights accorded him by this Article, the Proposed Seller will not be entitled to complete his or its sale and the Company will not register any transfer intended to carry that sale into effect.
- 15.5 If the Offer is accepted by any Shareholder (an **"Accepting Shareholder"**) within the Offer Period, the completion of the Proposed Transfer will be

conditional upon the completion of the purchase of all the Shares held by Accepting Shareholders

15.6 For the purpose of this Article

15.6.1 the expression "**transfer**" and "**purchaser**" shall include the renunciation of a renounceable letter of allotment and the renounee under any such letter of allotment respectively,

15.6.2 the expression "**Equity Value**" shall mean the value of the whole of the issued share capital of the Company calculated by treating the Offer Price per Share as being the amount which would have been payable in respect of each of the Proposed Sale Shares in accordance with Article 5.2;

15.6.3 the expression "**Offer Price per Share**" shall mean (i) the greater of:

- (a) the aggregate amount offered for all the Proposed Sale Shares plus the Additional Amount, divided by the number of Proposed Sale Shares; and
- (b) the aggregate amount offered or paid by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser for any Shares of the same class(es) as the Proposed Sale Shares in any related or previous transaction in the 12 months preceding the date of the Proposed Transfer, divided by the number of Shares of the same class(es) as the Proposed Sale Shares, which were the subject of such related or previous transaction,

15.6.4 the expression "**Additional Amount**" shall mean in relation to the Proposed Transfer the amount of any consideration (in cash or otherwise) paid or payable by the Proposed Purchaser or any person Acting in Concert with the Proposed Purchaser, which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Proposed Sale Shares, and

15.6.5 the expression "**Specified Price**" in relation to any Proposed Sale Share shall mean the amount payable in respect of such Share pursuant to Article 5.2 calculated on the assumption of a sale of the whole of the issued share capital of the Company at the Equity Value

15.7 On any Share Sale effected under this Article 15, then notwithstanding Article 15.6, the order of priority referred to in Article 5.2 shall apply in determining how the proceeds from the sale of any Shares under this Article 15 shall be distributed

16 Drag-along

16.1 If, at any time after 31 March 2021, the Selling Shareholders wish to transfer all their interest in Shares (the "**Sellers' Shares**") to a Proposed Purchaser, the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of Shares (the "**Called Shareholders**") to sell and transfer all their Shares to the Proposed Purchaser or as the Proposed Purchaser shall direct in accordance with the provisions of this Article 16

16.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") to the Company which the Company shall forthwith copy to the Called Shareholders at any time before the transfer of the Sellers' Shares to the Proposed Purchaser. A Drag Along Notice

shall specify that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") under this Article 16, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this Article 16) and the proposed date of transfer.

- 16.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Proposed Purchaser within 40 Business Days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice.
- 16.4 The consideration (which shall be in cash) for which the Called Shareholders shall be obliged to sell each of the Called Shares shall be that to which they would be entitled if the total consideration proposed to be paid by the Proposed Purchaser were distributed to the holders of the Called Shares and the Sellers' Shares in accordance with the provisions of Article 5.2 subject to any minimum level of consideration determined in accordance with any Shareholders' Agreement.
- 16.5 Subject to clause 10.4, no Drag Along Notice may require a Called Shareholder to agree to any terms except those specifically provided for in this Article 16.
- 16.6 Within five Business Days of the Proposed Purchaser serving a Drag Along Notice on the Called Shareholders, the Called Shareholders shall deliver stock transfer forms for their Shares in favour of the Proposed Purchaser or as the Proposed Purchaser shall direct, together with the relevant share certificate(s) (or a suitable indemnity in lieu thereof) to the Company. On the expiration of that five Business Day period the Company shall pay the Called Shareholders, on behalf of the Proposed Purchaser, the amounts they are due pursuant to Article 16.4 to the extent the Proposed Purchaser has put the Company in the requisite funds. The Company's receipt for the amounts due pursuant to Article 16.4 shall be a good discharge to the Proposed Purchaser. The Company shall hold the amounts due to the Called Shareholders pursuant to Article 16.4 in trust for the Called Shareholders without any obligation to pay interest.
- 16.7 To the extent that the Proposed Purchaser has not, on the expiration of such five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 16.4, the Called Shareholders shall be entitled to the return of the stock transfer forms and share certificate (or suitable indemnity) for the relevant Shares and the Called Shareholders shall have no further rights or obligations under this Article 16 in respect of their Shares.
- 16.8 If a Called Shareholder fails to deliver stock transfer forms and share certificates (or suitable indemnity) for its Shares to the Company upon the expiration of that five Business Day period, the Directors shall, if requested by the Proposed Purchaser, authorise any Director to transfer the Called Shareholder's Shares on the Called Shareholder's behalf to the Proposed Purchaser (or its nominee(s)) to the extent the Proposed Purchaser has, at the expiration of that five Business Day period, put the Company in funds to pay the amounts due pursuant to Article 16.4 for the Called Shareholder's Shares offered to him. The Board shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Called Shareholder shall surrender his share certificate for his Shares (or provide a suitable indemnity) to the Company. On surrender, he shall be entitled to the amount due to him pursuant to Article 16.4.
- 16.9 Any transfer of Shares to a Proposed Purchaser (or as they may direct) pursuant to a sale in respect of which a Drag Along Notice has been duly served shall not be subject to the provisions of Article 12.

- 16 10 On any person, following the issue of a Drag Along Notice, becoming a Shareholder of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company or pursuant to the conversion of any convertible security of the Company (a "**New Shareholder**"), a Drag Along Notice shall be deemed to have been served on the New Shareholder on the same terms as the previous Drag Along Notice who shall then be bound to sell and transfer all Shares so acquired to the Proposed Purchaser or as the Proposed Purchaser may direct and the provisions of this Article 16 shall apply with the necessary changes to the New Shareholder except that completion of the sale of the Shares shall take place immediately on the Drag Along Notice being deemed served on the New Shareholder

17 General meetings

- 17.1 If the Directors are required by the Shareholders under section 303 of the Act to call a general meeting, the Directors shall convene the meeting for a date not later than 28 days after the date on which the Directors became subject to the requirement under section 303 of the Act
- 17 2 If there is only one Shareholder who is a Qualifying Person the one Qualifying Person shall constitute a quorum at any general meeting of the Company In any other case, two Qualifying Persons shall constitute a quorum The provisions of section 318 of the Act shall apply to the Company, save that if a quorum is not present at any meeting adjourned for the reason referred to in article 41 of the Model Articles, then provided that the Qualifying Person present holds or represents the holder of at least 50 per cent in nominal value of the Ordinary A Shares, any resolution agreed to by such Qualifying Person shall be as valid and effectual as if it had been passed unanimously at a general meeting of the Company duly convened and held
- 17.3 If any two or more Shareholders (or Qualifying Persons representing two or more Shareholders) attend the meeting in different locations, the meeting shall be treated as being held at the location specified in the notice of the meeting, save that if no one is present at that location so specified, the meeting shall be deemed to take place where the largest number of Qualifying Persons is assembled or, if no such group can be identified, at the location of the chairman
- 17 4 If a demand for a poll is withdrawn under article 44(3) of the Model Articles, the demand shall not be taken to have invalidated the result of a show of hands declared before the demand was made and the meeting shall continue as if the demand had not been made.
- 17 5 Polls must be taken in such manner as the chairman directs A poll demanded on the election of a chairman or on a question of adjournment must be held immediately A poll demanded on any other question must be held either immediately or at such time and place as the chairman directs not being more than 14 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
- 17 6 No notice need be given of a poll not held immediately 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
- 17.7 If the poll is to be held more than 48 hours after it was demanded the Shareholders shall be entitled to deliver proxy notices in respect of the poll at any

time up to 24 hours before the time appointed for taking that poll. In calculating that period, no account shall be taken of any part of a day that is not a working day.

18 Proxies

18 1 Paragraph (c) of article 45(1) of the Model Articles shall be deleted and replaced by the words "is signed by or on behalf of the Shareholder appointing the proxy and accompanied by any the authority under which it is signed (or a certified copy of such authority or a copy of such authority in some other way approved by the Director(s))"

18 2 The instrument appointing a proxy and any authority under which it is signed or a certified copy of such authority or a copy in some other way approved by the Directors may

18 2 1 be sent or supplied in hard copy form, or (subject to any conditions and limitations which the Board may specify) in electronic form, to the registered office of the Company or to such other address (including electronic address) as may be specified for this purpose in the notice convening the meeting or in any instrument of proxy or any invitation to appoint a proxy sent or supplied by the Company in relation to the meeting at any time before the time for holding the meeting or adjourned meeting at which the person named in the instrument proposes to vote,

18 2 2 be delivered at the meeting or adjourned meeting at which the person named in the instrument proposes to vote to the chairman or to the company secretary or to any Director, or

18 2 3 in the case of a poll, be delivered at the meeting at which the poll was demanded to the chairman or to the company secretary or to any Director, or at the time and place at which the poll is held to the Chairman or to the company secretary or to any Director or scrutineer,

and an instrument of proxy which is not deposited or delivered in a manner so permitted shall be invalid.

19 Directors' borrowing powers

The Directors may exercise all the powers of the Company to borrow or raise money and to mortgage or charge its undertaking, property and uncalled capital and to issue debentures, debenture stock and other securities as security for any debt, liability or obligation of the Company or of any third party.

20 Number of Directors

The number of Directors shall be not less than two and the maximum number of Directors shall be four unless the Ordinary A2 Shares represent a majority of the Ordinary A Shares (excluding Treasury Shares) in which case the maximum number of Directors shall be five.

21 Appointment of Directors

21 1 In addition to the powers of appointment under article 17(1) of the Model Articles

- 21.1 1 the holders of Ordinary A1 Shares shall (between them) have the right to appoint two Directors (the "**A1 Directors**") and to remove any person so appointed and (provided that the number of Directors appointed by them shall not thereby exceed two) appoint another in his place,
- 21 1.2 the holders of Ordinary A2 Shares shall have the right (between them) to appoint the Relevant Number of Directors the (the "**A2 Directors**") and remove any person so appointed and (provided that the number of Directors so appointed by them shall not thereby exceed the Relevant Number) appoint another in his place The "**Relevant Number**" shall be two unless the Ordinary A2 Shares constitute a majority of the Ordinary A Shares (excluding Treasury Shares), in which case the Relevant Number shall be three
- 21 2 Any appointment or removal of a Director pursuant to Article 21.1:
- 21.2.1 shall be by notice in writing addressed to the Company at its registered office and signed by the holders of a majority of the Ordinary A Shares held by the persons entitled to make such appointment or removal, and
- 21 2 2 will take effect at and from the time when the notice is received at the registered office of the Company or produced to a meeting of the directors of the Company
- 21 3 Each A1 Director and each A2 Director shall be entitled at his request to be appointed to any committee of the Board established from time to time and to the board of directors of any Subsidiary Undertaking

22 Disqualification of Directors

- 22.1 In addition to that provided in article 18 of the Model Articles, the office of a Director shall also be vacated if
- 22 1 1 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated, or
- 22.1 2 a majority of his co-Directors serve notice on him in writing, removing him from office
- 22 2 The exercise of any right of removal pursuant to this Article 22, shall be without prejudice to any right of a Shareholder to have Director appointed pursuant to Article 21

23 Proceedings of Directors

- 23 1 The quorum for Directors' meetings shall be two Directors unless at that time there is only one Director in which case the quorum shall be one but, for so long as there is an A1 Director in office, the quorum must always include an A1 Director and for so long as there is an A2 Director in office, the quorum must always include an A2 Director (save that where a Relevant Interest of an A1 Director or an A2 Director is being authorised by other Directors in accordance with section 175(5)(a) of the Act, the relevant A1 Director or A2 Director and any other Interested Director shall not be included for the purpose of such authorisation but shall be included for the purpose of forming the 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 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 at such time and place as determined by the Directors present at such meeting. If a quorum is not present at any such adjourned meeting within half an hour from the time appointed, then the meeting shall proceed.

- 23.2 If all the Directors participating in a meeting of the Directors are not physically in the same place, the meeting shall be deemed to take place where the largest group of participators in number is assembled. In the absence of a majority the location of the chairman shall be deemed to be the place of the meeting.
- 23.3 Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company at any time before or after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.
- 23.4 Provided (if these Articles so require) that he has declared to the Directors, in accordance with the provisions of these Articles, the nature and extent of his interest (and subject to any restrictions on voting or counting in a quorum imposed by the Directors in authorising a Relevant Interest), and subject to an A Shareholder Consent a Director may vote at a meeting of the Directors or of a committee of the Directors on any resolution concerning a matter in which he has an interest, whether a direct or an indirect interest, or in relation to which he has a duty and shall also be counted in reckoning whether a quorum is present at such a meeting.
- 23.5 Questions arising at any meeting of the Directors shall be decided by a majority of votes. Each Director shall have one vote save that if there is only one A1 Director present, irrespective of whether or not two A1 Directors are holding office, such A1 Director shall have two votes and if there are less than the Relevant Number (as defined in Article 21.1.2) of A2 Directors present, irrespective of whether or not the Relevant Number of A2 Directors are holding office, the A2 Director(s) present shall have the Relevant Number of votes (split equally between them if there are two A2 Directors present). In the case of any equality of votes, the chairman shall not have a second or casting vote.
- 23.6 A decision of the Directors may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing (including confirmation given by electronic means). Reference in article 7(1) of the Model Articles to article 8 of the Model Articles shall be deemed to include a reference to this Article also.

24 Directors' interests

Specific interests of a Director

- 24.1 Subject to the provisions of the Act and provided (if these Articles so require) that he has declared to the Directors in accordance with the provisions of these Articles, the nature and extent of his interest, a Director may (save as to the extent not permitted by law from time to time), notwithstanding his office, have an interest of the following kind:
- 24.1.1 where a Director (or a person connected with him) is party to or in any way directly or indirectly interested in, or has any duty in respect of, any existing or proposed contract, arrangement or transaction with the Company or any other undertaking in which the Company is in any way interested;

- 24.1.2 where a Director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the Company or in which the Company is in any way interested,
- 24 1 3 where a Director (or a person connected with him) is a Shareholder in the Company or a shareholder in, employee, director, member or other officer of, or consultant to, a Parent Undertaking of, or a Subsidiary Undertaking of a Parent Undertaking of, the Company;
- 24 1 4 where a Director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the Company or body corporate in which the Company is in any way interested,
- 24 1 5 where a Director is given a guarantee, or is to be given a guarantee, in respect of an obligation incurred by or on behalf of the Company or any body corporate in which the Company is in any way interested,
- 24 1 6 where a Director (or a person connected with him or of which he is a member or employee) acts (or any body corporate promoted by the Company or in which the Company is in any way interested of which he is a director, employee or other officer may act) in a professional capacity for the Company or any body corporate promoted by the Company or in which the Company is in any way interested (other than as auditor) whether or not he or it is remunerated for this,
- 24 1 7 an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest, or
- 24 1 8 any other interest authorised an A Shareholder Consent

Interests of which a Director is not aware

- 24 2 For the purposes of this Article 24, an interest of which a Director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his

Accountability of any benefit and validity of a contract

- 24 3 In any situation permitted by this Article 24 (save as otherwise agreed by him) a Director shall not by reason of his office be accountable to the Company for any benefit which he derives from that situation and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit

Terms and conditions of Board authorisation

- 24 4 Any authority given in accordance with section 175(5)(a) of the Act in respect of a Director (the ***"Interested Director"***) who has proposed that the Directors authorise his interest (the ***"Relevant Interest"***) pursuant to that section may:
- 24 4.1 be given on such terms and subject to such conditions or limitations as may be imposed by the authorising Directors as they see fit from time to time, including, without limitation.

- (a) restricting the Interested Director from voting on any resolution put to a meeting of the Directors or of a committee of the Directors in relation to the Relevant Interest,
- (b) restricting the Interested Director from being counted in the quorum at a meeting of the Directors or of a committee of the Directors where such Relevant Interest is to be discussed, or
- (c) restricting the application of the provisions in Articles 24 5 and 24 6, so far as is permitted by law, in respect of such Interested Director,

be withdrawn, or varied at any time by the Directors entitled to authorise the Relevant Interest as they see fit from time to time, and

an Interested Director must act in accordance with any such terms, conditions or limitations imposed by the authorising Directors pursuant to section 175(5)(a) of the Act and this Article 24

Director's duty of confidentiality to a person other than the Company

- 24 5 Subject to Article 24 6 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article 24), if a Director, otherwise than by virtue of his position as director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required

24 5.1 to disclose such information to the Company or to any Director, or to any officer or Employee of the Company; or

24 5 2 otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director

- 24 6 Where such duty of confidentiality arises out of a situation in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, Article 24 5 shall apply only if the conflict arises out of a matter which falls within Article 24 1 or has been authorised under section 175(5)(a) of the Act

Additional steps to be taken by a Director to manage a conflict of interest

- 24 7 Where a Director has an interest which can reasonably be regarded as likely to give rise to a conflict of interest, the Director may take such additional steps as may be necessary or desirable for the purpose of managing such conflict of interest, including compliance with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the situation or matter in question, including without limitation

24 7 1 absenting himself from any discussions, whether in meetings of the Directors or otherwise, at which the relevant situation or matter falls to be considered; and

24 7 2 excluding himself from documents or information made available to the Directors generally in relation to such situation or matter and/or arranging for such documents or information to be reviewed by a professional

adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

Requirement of a Director is to declare an interest

24 8 Subject to section 182 of the Act, a Director shall declare the nature and extent of any interest permitted by Article 24 1 at a meeting of the Directors, or by general notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Act or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest

24 8 1 falling under Article 24 1 7,

24 8 2 if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware), or

24 8 3 if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Act) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles

Shareholder approval

24.9 Subject to section 239 of the Act, the Company may by ordinary resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article 24

24 10 For the purposes of this Article 24

24 10 1 a conflict of interest includes a conflict of interest and duty and a conflict of duties,

24 10 2 the provisions of section 252 of the Act shall determine whether a person is connected with a Director,

24 10 3 a general notice to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified.

25 Notices

25.1 Subject to the requirements set out in the Act, any notice given or document sent or supplied to or by any person under these Articles, or otherwise sent by the Company under the Act, may be given, sent or supplied

25 1 1 in hard copy form; or

25.1 2 in electronic form,

or partly by one of these means and partly by another of these means

Notices shall be given and documents supplied in accordance with the procedures set out in the Act, except to the extent that a contrary provision is set out in this Article 25.

Notices in hard copy form

- 25 2 Any notice or other document in hard copy form given or supplied under these Articles may be delivered or sent by first class post (airmail if overseas)
- 25 2.1 to the Company or any other company at its registered office, or
- 25 2 2 to the address notified to or by the Company for that purpose, or
- 25.2.3 in the case of an intended recipient who is a member or his legal personal representative or trustee in bankruptcy, to such member's address as shown in the Company's register of members, or
- 25 2 4 in the case of an intended recipient who is a Director, to his address as shown in the register of Directors; or
- 25.2 5 to any other address to which any provision of the Companies Acts (as defined in the Act) authorises the document or information to be sent or supplied, or
- 25 2 6 where the Company is the sender, if the Company is unable to obtain an address falling within one of the addresses referred to in 25 2.1 to 25 2 5 above, to the intended recipient's last address known to the Company
- 25 3 Any notice or other document in hard copy form given or supplied under these Articles shall be deemed to have been served and be effective
- 25 3.1 if delivered, at the time of delivery,
- 25.3.2 if posted, on receipt or 48 hours after the time it was posted, whichever occurs first

Notices in electronic form

- 25 4 Subject to the provisions of the Act, any notice or other document in electronic form given or supplied under these Articles may.
- 25 4 1 if sent by email (provided that an address for email has been notified to or by the Company for that purpose), be sent by email to that address;
- 25 4 2 if delivered or sent by first class post (airmail if overseas) in an electronic form (such as sending a disk by post), be so delivered or sent as if in hard copy form under Article 25 2, or
- 25 4 3 be sent by such other electronic means (as defined in section 1168 of the Act) and to such address(es) as the Company may specify by notice (in hard copy or electronic form) to all members of the Company from time to time
- 25.5 Any notice or other document in electronic form given or supplied under these Articles shall be deemed to have been served and be effective

25.5.1 if sent by email (where an address for email has been notified to or by the Company for that purpose), on receipt subject to the recipient having acknowledged receipt,

25.5.2 if posted in an electronic form, on receipt or 48 hours after the time it was posted, whichever occurs first;

25.5.3 if delivered in an electronic form, at the time of delivery subject to the recipient having acknowledged receipt, and

25.5.4 if sent by any other electronic means as referred to in Article 25.4.3, at the time such delivery is deemed to occur under the Act

General

25.6 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 of the Company in respect of the joint holding (the "**Primary Holder**"). Notice so given shall constitute notice to all the joint holders.

25.7 Anything agreed or specified by the Primary Holder in relation to the service, sending or supply of notices, documents or other information shall be treated as the agreement or specification of all the joint holders in their capacity as such (whether for the purposes of the Act or otherwise).

26 Indemnities and insurance

26.1 Subject to the provisions of and so far as may be permitted by, the Act

26.1.1 every Director or other officer of the Company (excluding the Company's auditors) shall be entitled to be indemnified by the Company (and the Company shall also be able to indemnify directors of any associated company (as defined in section 256 of the Act)) out of the Company's assets against all liabilities incurred by him in the actual or purported execution or discharge of his duties or the exercise or purported exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, provided that no Director, other officer of the Company or any associated company is indemnified by the Company against

- (a) any liability incurred by the Director, other officer to the Company or any associated company, or
- (b) any liability incurred by the Director or other officer of the Company to pay a fine imposed in criminal proceedings or a sum payable to a regulatory authority by way of a penalty in respect of non-compliance with any requirements of a regulatory nature, or
- (c) any liability incurred by the Director
 - (i) in defending any criminal proceedings in which he is convicted;
 - (ii) in defending civil proceedings brought by the Company or any associated company in which final judgment (within the meaning set out in section 234 of the Act) is given against him, or

- (iii) in connection with any application under sections 661(3) or 661(4) or 1157 of the Act (as the case may be) for which the court refuses to grant him relief,

save that, in respect of a provision indemnifying a director of a company (whether or not the Company) that is a trustee of an occupational pension scheme (as that term is used in section 235 of the Act) against liability incurred in connection with that company's activities as trustee of the scheme, the Company shall also be able to indemnify any such director without the restrictions in Articles 26 1 1(a), 26 1 1(c)(ii) and 26.1.1(c)(iii) applying,

26 1 2 the Directors may exercise all the powers of the Company to purchase and maintain insurance for any such Director or other officer against any liability which by virtue of any rule of law would otherwise attach to him in respect of any negligence, default, breach of duty or breach of trust of which he may be guilty in relation to the Company, or any associated company including (if he is a director of a company which is a trustee of an occupational pension scheme) in connection with that company's activities as trustee of an occupational pension scheme.

26 2 The Company shall (at the cost of the Company) effect and maintain for each Director policies of insurance insuring each Director against risks in relation to his office as each director may reasonably specify including without limitation, any liability which by virtue of any rule of law may attach to him in respect of any negligence, default of duty or breach of trust of which he may be guilty in relation to the Company

27 Data Protection

Each of the Shareholders and Directors consent to the processing of their personal data by the Company, the Shareholders and Directors (each a "**Recipient**") for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information among themselves. A Recipient may process the personal data either electronically or manually. The personal data which may be processed under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any shares (or other investment or security) in the Company. Other than as required by law, court order or other regulatory authority, that personal data may not be disclosed by a Recipient or any other person except to a Member of the same Group ("**Recipient Group Companies**") and to employees, directors and professional advisers of that Recipient or the Recipient Group Companies and funds managed by any of the Recipient Group Companies. Each of the Shareholders and Directors consent to the transfer of relevant personal data to persons acting on behalf of the Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so.

28 Secretary

Subject to the provisions of the Act, the Directors may appoint a secretary 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.

29 Lien

29.1 The Company shall have a first and paramount lien (the "**Company's Lien**") over every Share not fully paid for and any indebtedness of any holder of it to the Company (whether a sole holder or one of two or more joint holders), whether or not that indebtedness or liability is in respect of the Shares concerned and whether or not it is presently payable

29.2 The Company's Lien over a Share

29.2.1 shall take priority over any third party's interest in that Share, and

29.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the Company's Lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

The Directors may at any time decide that a Share which is, or would otherwise be, subject to the Company's Lien shall not be subject to it, either wholly or in part

29.3 Subject to the provisions of this Article 29, if

29.3.1 a notice complying with Article 29.4 (a "**Lien Enforcement Notice**") has been given by the Company in respect of a Share, and

29.3.2 the person to whom the notice was given has failed to comply with it,

the Company shall be entitled to sell that Share in such manner as the Directors decide

29.4 A Lien Enforcement Notice

29.4.1 may only be given by the Company in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,

29.4.2 must specify the Share concerned,

29.4.3 must require payment of the sum payable within 14 days of the notice;

29.4.4 must be addressed either to the holder of the Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise, and

29.4.5 must state the Company's intention to sell the Share if the notice is not complied with

29.5 Where any Share is sold pursuant to this Article 29

29.5.1 the Directors may authorise any person to execute an instrument of transfer of the Share to the purchaser or a person nominated by the purchaser, and

29.5.2 the transferee shall not be bound to see to the application of the consideration, and the transferee's title shall not be affected by any irregularity in or invalidity of the process leading to the sale

29.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied:

29 6 1 first, in payment of so much of the sum for which the Company's Lien exists as was payable at the date of the Lien Enforcement Notice;

29 6.2 secondly, to the person entitled to the Share at the date of the sale, but only after the certificate for the Share sold has been surrendered to the Company for cancellation or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificate, and subject to a lien equivalent to the Company's Lien for any money payable (whether or not it is presently payable) as existing upon the Share before the sale in respect of all Shares registered in the name of that person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice

29 7 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date

29 7 1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

29 7 2 subject to compliance with any other formalities of transfer required by these Articles or by law, shall constitute a good title to the Share.

30 Call Notices

30.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "**Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money (a "**call**") which is payable to the Company by that Shareholder when the Directors decide to send the Call Notice

30.2 A Call Notice

30.2.1 may not require a Shareholder to pay a call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any sum payable to the Company by way of premium),

30 2 2 shall state when and how any call to which it relates it is to be paid, and

30.2.3 may permit or require the call to be paid by instalments

30.3 A Shareholder shall comply with the requirements of a Call Notice but no Shareholder shall be obliged to pay any call before 14 days have passed since the notice was sent

30 4 Before the Company has received any call due under a Call Notice the Directors may

30 4 1 revoke it wholly or in part; or

30 4 2 specify a later time for payment than is specified in the Call Notice, by a further notice in writing to the Shareholder in respect of whose Shares the call is made.

30 5 Liability to pay a call shall not be extinguished or transferred by transferring the Shares in respect of which it is required to be paid Joint holders of a Share shall be jointly and severally liable to pay all calls in respect of that Share

30 6 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them to

30 6 1 pay calls which are not the same, or

30 6 2 pay calls at different times

30.7 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium)·

30 7 1 on allotment,

30 7 2 on the occurrence of a particular event, or

30 7 3 on a date fixed by or in accordance with the terms of issue

30 8 If the due date for payment of such a sum as referred to in Article 30 7 has passed and it has not been paid, the holder of the Share concerned shall be treated in all respects as having failed to comply with a Call Notice in respect of that sum, and shall be liable to the same consequences as regards the payment of interest and forfeiture

30 9 If a person is liable to pay a call and fails to do so by the Call Payment Date (as defined below)

30 9 1 the Directors may issue a notice of intended forfeiture to that person, and

30 9 2 until the call is paid, that person shall be required to pay the Company interest on the call from the Call Payment Date at the Relevant Rate (as defined below)

30 10 For the purposes of Article 30 9

30 10 1 the **"Call Payment Date"** shall be the time when the Call Notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case the **"Call Payment Date"** is that later date,

30 10 2 the **"Relevant Rate"** shall be

(a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;

(b) such other rate as was fixed in the Call Notice which required payment of the call, or has otherwise been determined by the Directors, or

(c) if no rate is fixed in either of these ways, five per cent a year,

provided that the Relevant Rate shall not exceed by more than five percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998(a)

30.11 The Directors may waive any obligation to pay interest on a call wholly or in part.

30.12 The Directors may accept full payment of any unpaid sum in respect of a Share despite payment not being called under a Call Notice.

31 Forfeiture of Shares

31 1 A notice of intended forfeiture

31.1 1 may be sent in respect of any Share in respect of which a call has not been paid as required by a Call Notice,

31 1 2 shall be sent to the holder of that Share or to a person entitled to it by reason of the holder's death, bankruptcy or otherwise,

31 1.3 shall require payment of the call and any accrued interest, and all expenses that may have been incurred by the Company by reason of such non-payment, by a date which is not fewer than 14 days after the date of the notice;

31 1 4 shall state how the payment is to be made, and

31.1 5 shall state that if the notice is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited

31 2 If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, then the Directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture

31.3 Subject to these Articles, the forfeiture of a Share extinguishes

31.3.1 all interests in that Share, and all claims and demands against the Company in respect of it, and

31 3 2 all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

31 4 Any Share which is forfeited in accordance with these Articles:

31 4 1 shall be deemed to have been forfeited when the Directors decide that it is forfeited;

31.4 2 shall be deemed to be the property of the Company; and

31 4 3 may be sold, re-allotted or otherwise disposed of as the Directors think fit.

31 5 If a person's Shares have been forfeited then:

31.5.1 the Company shall send that person notice that forfeiture has occurred and record it in the register of members,

31 5 2 that person shall cease to be a Shareholder in respect of those Shares;

31.5.3 that person shall surrender the certificate for the Shares forfeited to the Company for cancellation;

- 31.5.4 that person shall remain liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
- 31.5.5 the Directors shall be entitled to waive payment of such sums 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.
- 31.6 At any time before the Company disposes of a forfeited Share, the Directors shall be entitled to decide to cancel the forfeiture on payment of all calls and interest and expenses due in respect of it and on such other terms as they think fit
- 31.7 If a forfeited Share is to be disposed of by being transferred, the Company shall be entitled to receive the consideration for the transfer and the Directors shall be entitled to authorise any person to execute the instrument of transfer.
- 31.8 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date
- 31.8.1 shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
- 31.8.2 subject to compliance with any other formalities of transfer required by the articles or by law, constitutes a good title to the Share
- 31.9 A person to whom a forfeited Share is transferred shall not be bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share
- 31.10 If the Company sells a forfeited Share, the person who held it prior to its forfeiture shall be entitled to receive the proceeds of such sale from the Company, net of any commission, and excluding any sum which
- 31.10.1 was, or would have become, payable, and
- 31.10.2 had not, when that Share was forfeited, been paid by that person in respect of that Share,
- but no interest shall be payable to such a person in respect of such proceeds and the Company shall not be required to account for any money earned on such proceeds

32 Surrender of Shares

- 32.1 A Shareholder shall be entitled to surrender any Share
- 32.1.1 in respect of which the Directors issue a notice of intended forfeiture,
- 32.1.2 which the Directors forfeit, or
- 32.1.3 which has been forfeited
- The Directors shall be entitled to accept the surrender of any such Share.

- 32 2 The effect of surrender on a Share shall be the same as the effect of forfeiture on that Share
- 32 3 The Company shall be entitled to deal with a Share which has been surrendered in the same way as a Share which has been forfeited