

Company No 5473104

**THE COMPANIES ACTS 1985 and 1989**

**PRIVATE COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

of

**COMMUNITAS HOLDINGS LIMITED**

(the "Company")

I the undersigned, being the sole member of the Company who at the date of this resolution is entitled to attend and vote at general meetings of the Company, hereby **RESOLVE** that the following resolution be passed as a written resolution of the Company in accordance with sections 381A and 381B Companies Act 1985 (as amended), and agree that the said resolution shall for all purposes be as valid and effective as if the same had been passed at a general meeting of the Company duly convened and held:-

**THAT** the document produced to the meeting and attached to this resolution is hereby adopted as the new articles of association of the Company to the exclusion of and in substitution for the existing articles of association.

  
.....  
David Whittaker

Dated: 1 July 2005 2005



*am*

DATED 12/8/1 July 2005

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**ARTICLES OF ASSOCIATION  
of  
COMMUNITAS HOLDINGS LIMITED**

Adopted by Special Resolution passed on <sup>1 July</sup>~~12/8 June~~ 2005

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**Hammonds**

7 Devonshire Square Cutlers Gardens London EC2M 4YH DX 136546 Bishopsgate 2  
Telephone +44 (0)870 839 0000 Fax +44 (0)870 839 1001

**Offices and Associated Offices** Aosta Berlin Birmingham Brussels Hong Kong Leeds London Madrid Manchester Milan  
Munich Paris Rome Turin

**Website** [www.hammonds.com](http://www.hammonds.com)

**Reference** SJM/EQU.024-0012

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Company No 5473104

**THE COMPANIES ACTS 1985 AND 1989**

**COMPANY LIMITED BY SHARES**

**NEW ARTICLES OF ASSOCIATION**

**of**

**COMMUNITAS HOLDINGS LIMITED**

**(THE "COMPANY")**

1-001100

**(Adopted by special resolution passed on June 2005)**

**1 PRELIMINARY AND DEFINITIONS**

**1.1 In these Articles:**

**"Act"** means the Companies Act 1985 (as amended from time to time).

**"Bank"** means The Governor and Company of the Bank of Scotland.

**"Board"** means the board of directors of the Company (or any duly authorised committee thereof) from time to time.

**"Called Shareholders"** has the meaning given to such term in Article 12.1.

**"Called Shares"** has the meaning given to such term in Article 12.2.

**"Controlling Interest"** means an interest (within the meaning of Schedule 13, Part 1 and Schedule 324 of the Act) in shares in a company conferring, in aggregate, more than 50 per cent of the total voting rights conferred by all the issued shares in that company, taking account at the relevant time of provisions regarding voting rights contained in the articles of association and/or any shareholders' agreement of that company.

**"Connected Person"** has the meaning given to such term by section 839 of the Income and Corporation Tax Act 1988.

**"director"** means a director of the Company, and **"directors"** shall be construed accordingly.

**"Drag Along Option"** has the meaning given to such term in Article 12.1.

**"Drag Along Notice"** has the meaning given to such term in Article 12.2.

**"EPIC"** means The Equity Partnership Investment Company plc, or any other person nominated by it.

**"Equity Shareholders"** has the meaning given to such term in Article 7.2.

**"Excess Shares"** has the meaning given to such term in Article 7.2.

**"Fair Price"** means such price as an Independent Expert may determine pursuant to Article 10.4.

**"Family Trust"** means a trust, the terms and trustees of which have been approved by the Board, which does not permit any of the property subject to the trust or the income therefrom (or any interest in such property and/or income) to be applied otherwise than for the benefit of:

- (a) a Shareholder and/or a Privileged Relation of that Shareholder; or
- (b) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the property (or any interest in such property and/or income) or the income therefrom when the trust is created but may become so interested if there are no other beneficiaries from time to time except another such charity or charities),

and under which no power of control is capable of being exercised over the voting powers conferred by any shares which are the subject of the trust by any person other than the trustees or the relevant Shareholder or a Privileged Relation of the Shareholder; and **"trust"** includes a trust arising under a settlement, or declaration of trust, inter vivos but excludes testamentary disposition or a trust arising on an intestacy.

**"financial year" and "financial period"** means an accounting reference period (as defined by the Act) of the Company.

**"First Offer"** has the meaning given to such term in Article 11.2.

**"First Offer Period"** has the meaning given to such term in Article 11.2.

**"Group"** means the Company and its subsidiaries and **"Group Company"** means any of them.

**"Independent Expert"** means an umpire (acting as an expert and not as an arbitrator) nominated by the relevant parties or, in the event of disagreement as to nomination, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales on application by any such party.

**"Individual Shareholder"** means a Shareholder who is not a partnership, unincorporated association or body corporate.

**"Investment Deed"** means the investment deed entered in to on around the date of adoption of these Articles between, inter alia, the persons listed therein as **"Investors"**.

**"Listing"** means the admission of any Shares to the Official List of the UK Listing Authority and such admission becoming effective or the grant of permission for any Shares to be dealt in on a recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000) or any other public securities market and such permission becoming effective.

**"Loan Agreement"** means the agreement dated on or around the date of adoption of these Articles entered into between Communitas Acquisitions Limited and the Bank.

**"Majority Shareholders"** means the persons who, together at the relevant time, hold not less than 65% in number of the Shares in issue at that time.

**"Majority Shareholder Consent"** means the giving of a prior written consent by the Majority Shareholders, and such consent shall be given at the absolute discretion of the Majority Shareholders unless otherwise specified in these Articles.

**"person"** includes, without limitation, a reference to an individual, partnership, unincorporated association or body corporate wherever incorporated or situate, and includes a reference to that person's legal personal representatives and successors.

**"Privileged Relation"** means, in relation to a Shareholder, the spouse of the Shareholder and the Shareholder's children and grandchildren (including step and adopted children and their issue) and step and adopted children of the Shareholder's children.

**"Sale Price"** has the meaning given to such term in Article 10.3.

**"Sale Shares"** has the meaning given to such term in Article 10.1.

**"Second Offer"** has the meaning given to such term in Article 11.3.

**"Second Offer Period"** has the meaning given to such term in Article 11.3.

**"Seller"** has the meaning given to such term in Article 12.1.

**"Seller Shareholder"** means the holder of a Share which is the subject of a Transfer Notice.

**"Shares"** means ordinary shares of £0.01 each in the capital of the Company.

**"Shareholder"** means a holder of any Share.

**"Table A"** means Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 as amended from time to time.

**"Tag Along Offer"** has the meaning given to such term in Article 12.8.

**"Tag Shareholders"** has the meaning given to such term in Article 12.8.

**"Third Party Purchaser"** means a bona fide arm's length purchaser who is not a Shareholder or a Connected Person of a Shareholder.

**"Transfer Notice"** means a notice which a Shareholder has given or is required to give or is deemed to have given pursuant to any of Articles 9.5 or 9.6 or the Investment Deed stating that the Shares held by him are to be transferred pursuant to Article 10.

**"voting rights"** shall be construed in accordance with section 736(A) of the Act.

- 1.2 The regulations contained in or incorporated in Table A shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith, and such regulations (save as so excluded varied or inconsistent) and the Articles hereinafter contained shall be the regulations of the Company.
- 1.3 In the last paragraph of Regulation 1 of Table A, the words "and in the Company's articles of association adopting the same" shall be inserted after the word "regulations" in the first line, the words from "but excluding" to "company" shall be deleted and the sentence "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." shall be inserted at the end of that paragraph.

- 1.4 Regulations 26, 50, 54, 64, 73-82 (inclusive), 85, 86, 94-98 (inclusive) and 118, and the last sentence of regulation 112, of Table A shall not apply to the Company.

## **2 SHARE CAPITAL**

The authorised share capital of the company is £100 divided into 10,000 Shares.

## **3 SHARE RIGHTS**

The Shares shall have, and be subject to, the following rights and restrictions:

### **3.1 Capital**

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities shall be distributed amongst the holders of the Shares, *pari passu*.

### **3.2 Voting**

Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles, on a show of hands every Shareholder who (being an individual) is present in person or by proxy or (being a corporation) is present by proxy or by a representative not being himself a Shareholder shall have one vote, and on a poll every Shareholder who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every Share of which he is the holder.

## **4 CLASS RIGHTS**

- 4.1 Whenever the capital of the Company is divided into different classes of shares, the special rights attached to any class may be varied or abrogated only with the consent in writing of the holders of more than 75 per cent in nominal value of the issued shares of that class.

- 4.2 Without prejudice to the generality of Article 4.1 and where the capital of the Company is divided into different classes of shares, the rights attached to the Shares shall be deemed to be varied by:

- (a) any alteration or variation of any of the rights attached to any of the Shares for the time being in the capital of the Company or the shares of any Group Company;
- (b) the redemption of any of the Shares or the shares of any Group Company (otherwise than pursuant to these Articles) or by the entering into of a contract by the Company to purchase any of its Shares or any Group Company to purchase any of its shares;
- (c) any alteration to the memorandum of association or articles of association of the Company or any other Group Company (in each case, from time to time);

- (d) any resolution to wind up the Company or any other Group Company;
- (e) the giving, variation, revocation or renewal of an authority for allotment under section 80 of the Act by any Group Company; or
- (f) the disapplication of the provisions of sections 89(1) and 90(1) of the Act in relation to any allotment or issue of Shares by any Group Company.

## **5 LIEN**

The lien conferred by Regulation 8 of Table A shall apply and the Company have a first and paramount lien on all Shares whether fully paid or not standing registered in the name of any person indebted or under liability to the Company, whether he is the sole registered holder thereof or one of two or more joint holders, for all monies presenting payable by him or his estate to the Company.

## **6 CALLS**

The liability of any Shareholder in default in respect of a call shall be increased by the addition at the end of the first sentence of regulation 18 in Table A of the words "and all expenses that may have been incurred by the Company by reason of such non-payment".

## **7 ISSUES OF SHARES**

Subject to these Articles, the pre-emption provisions of sub-section (1) of section 89 and sub-sections (1) to (6) of section 90 of the Act shall apply to any allotment of the Company's equity securities, provided that:

- 7.1 the period specified in section 90(6) of the Act shall be 14 days (and not 21 days); and
- 7.2 the holders of equity securities ("**Equity Shareholders**") who accept Shares shall be entitled to indicate (i) that they would accept Shares that have not been accepted by other Equity Shareholders ("**Excess Shares**") on the same terms as originally offered to all Equity Shareholders and (ii) the number of Excess Shares they would accept. Any Shares not accepted by an Equity Shareholder shall be allotted to those Equity Shareholders who have indicated that they would accept Excess Shares and such Excess Shares shall be allotted in the numbers in which they have been accepted by such Equity Shareholders or, if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all of the Excess Shares they have indicated they would accept, then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares applied for.

## **8 PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES**

- 8.1 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles or the Investment Deed but (subject to Regulation 24 of Table A, which shall apply to the Company) shall not otherwise be entitled to refuse to register any transfer of Shares. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these Articles, the Board may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being



furnished to the satisfaction of the Board within a period of 28 days after such request, the Board shall be entitled to refuse to register the transfer in question.

8.2 Save for transfers pursuant to Articles 9, 10 and 11, no Shares may be transferred unless a Majority Shareholder Consent has been obtained and the proposed transferee has entered into an agreement to be bound by the Investment Deed (in the form required by the Investment Deed).

8.3 A reference in these Articles to a transfer of Shares shall include a transfer of any interest in Shares (whether legal, beneficial or otherwise) and these Articles shall take effect accordingly.

## **9 PERMITTED AND MANDATORY TRANSFERS OF SHARES**

### **9.1 Permitted Transfers by Individual Shareholders to Privileged Relations and Family Trusts**

Any Individual Shareholder (or the legal representative of a deceased Individual Shareholder) may, at any time, transfer any Shares held by him to a Privileged Relation over the age of 17 or to the trustees of a Family Trust of which he is the settlor provided that:

- (a) any transfer of Shares to trustees to be held upon a Family Trust made during the lifetime of the Shareholder making the transfer may only be made with the prior approval of the Board;
- (b) any transfer of Shares by an Individual Shareholder to a Privileged Relation or trustees his Family Trust pursuant to this Article 9.1 will be on terms (as previously approved by the Board) that the Privileged Relation or trustees (as the case may be) shall:
  - (i) undertake to exercise all voting rights attaching to such Shares and to sign all proxies, consents to short notice and other documents relating to such exercise in accordance with the directions of the Individual Shareholder; and
  - (ii) give the Individual Shareholder full, unconditional and irrevocable authority to sell such Shares on behalf of the trustees or Privileged Relation (as the case may be) on a Listing or a sale of a majority of the Shares in the capital of the Company or pursuant to Article 12; and
- (c) the Privileged Relations and/or the trustees of Family Trusts to whom Shares are transferred by an Individual Shareholder pursuant to this Article 9.1 may transfer such Shares in accordance with Article 9.2 at any time but shall not otherwise be entitled to transfer such Shares.

### **9.2 Permitted transfers by Privileged Relations and/or Family Trusts**

- (a) The Privileged Relations to whom Shares are transferred by an Individual Shareholder pursuant to Article 9.1 may transfer such Shares back to the relevant Shareholder at any time, but shall not otherwise be entitled to transfer such Shares.
- (b) Where any Shares are held by trustees upon a Family Trust:

- (i) on any change of trustees, such Shares may be transferred to the new trustees of that Family Trust; and
- (ii) such Shares may be transferred at any time to the relevant Individual Shareholder from whom the Shares were originally transferred, or, at the direction of the Individual Shareholder, to another Family Trust of which the Individual Shareholder is the settlor, or to any Privileged Relation of the Individual Shareholder,

provided that nothing in this Clause 9.2 shall affect the right of an Individual Shareholder to exercise its authority to sell the Shares pursuant to Clause 9.1(b)(ii).

### 9.3 Permitted transfers of Investor Shares

Notwithstanding any other provision in these Articles, the following transfers may be made without restriction as to price or otherwise and all any such transfers shall be registered by the Board (subject to stamping):

- (a) any Shareholder which is a body corporate may transfer any Shares held by it to its ultimate parent company or any other body corporate controlled, directly or indirectly, by it or its ultimate parent company **PROVIDED ALWAYS THAT** the transferee gives an undertaking to the Company that, in the event of any such body corporate ceasing to be controlled, directly or indirectly, by the original Shareholder or such ultimate parent company, immediately prior to it so ceasing such Shares shall be transferred back to the original Shareholder to another body corporate controlled by it or its ultimate parent company (for which purpose "control" shall have the same meaning as in section 840 of the Income and Corporation Taxes Act 1988);
- (b) any Shares held by a nominee or trustee of a partnership may be transferred to the partnership or to any new nominee or trustee for such partnership;
- (c) any Shares held by or on behalf of a partnership, unit trust, investment trust, unincorporated association or other fund or corporation may be transferred to another partnership, unit trust, investment trust, unincorporated association or other fund or corporation which is managed or advised by the same manager or adviser as the transferor or by a holding company of such manager or adviser or any subsidiary company of such holding company;
- (d) any Shares held by a corporate trust or trustee or by a body corporate wholly-owned by a corporate trust or trustee ("**Trust Body Corporate**") may be transferred to the settlor, trustees or beneficiaries of such trust or, in the case of a corporate trustee, or Trust Body Corporate, of such trust to which such trustee or Trust Body Corporate relates;
- (e) any Shares which are held by or on behalf of an Investment Trust (as defined in chapter 21 of the Listing Rules published by the UK Listing Authority) whose shares are listed on the Official List maintained by the UK Listing Authority may be transferred to another such Investment Trust whose shares are also so listed; and
- (f) any holder of Shares which is a nominee or trustee, whether directly or indirectly, for an approved scheme or schemes (as defined in section 612 of the Income

and Corporation Taxes Act 1988) may transfer any Shares to any other nominee or trustee, whether direct or indirect, for the same approved scheme or schemes.

#### **9.4 Other Permitted Transfers**

##### **(a) Transfers to the Company**

Any holder of Shares may at any time, with the approval of the Board, transfer Shares to the Company in accordance with the Act and these Articles.

##### **(b) Transfers with Shareholder Approval**

Notwithstanding any other provisions of these Articles other than Article 9.4(a) above, a transfer of any Shares approved by the Majority Shareholders may be made without restriction as to price or otherwise.

##### **(c) Transfers pursuant to a Listing or Article 12**

Notwithstanding any other provision of these Articles, a transfer of any Share made pursuant to and in accordance with a Listing or Article 12 shall be registered by the Board (subject to stamping).

#### **9.5 Mandatory transfers by Family Trusts**

If and whenever any Shares held by trustees of a Family Trust cease to be so held upon a Family Trust (otherwise than in accordance with Article 9.2) or there cease to be any beneficiaries of the Family Trust other than a charity or charities:

- (a) the trustees of the Family Trust shall notify the Company in writing that such event has occurred;
- (b) within 30 days of such event, the trustees shall transfer the Shares to the relevant Individual Shareholder from whom the Shares were originally transferred or, at the direction of the Individual Shareholder, to a Privileged Relation of such Shareholder (at a price to be agreed between the transferor and the transferee), and if they fail to do so the Company may serve notice on the trustees requiring them to effect such transfer within 14 days of such notice; and
- (c) in default of compliance with such notice, the trustees shall be deemed to have given a Transfer Notice in respect of the Shares held by the trustees and such Shares may not be transferred otherwise than in accordance with Article 10.

#### **9.6 Compulsory transfers by Privileged Relations**

If and whenever a Privileged Relation to whom Shares have been transferred pursuant to Article 9.1 ceases to be a Privileged Relation of the relevant individual shareholders:

- (a) the relevant Individual Shareholder shall notify the Company in writing that such cessation has occurred;
- (b) within 30 days of such event, the former Privileged Relation shall transfer the Shares to the relevant Individual Shareholder or, at the direction of the Individual Shareholder, to a Privileged Relation of such Shareholder and, if they fail to do

so, the Company may serve notice on the former Privileged Relation requiring them to effect such transfer within 14 days of such notice; and

- (c) in default of compliance with such notice, the former Privileged Relation shall be deemed to have delivered a Transfer Notice in respect of the Shares held by the former Privileged Relation and such Shares may not be transferred otherwise than in accordance with Article 10.

## **10 TRANSFER PROVISIONS - GENERAL**

### **10.1 Transfer notices**

Save as otherwise provided in these Articles (including, without limitation, any transfers pursuant to Articles 9 and 12), every Shareholder who desires to transfer any Shares shall give to the Company notice in writing of such desire (a **"Transfer Notice"**). Transfer Notices shall constitute the Company the agent of the Shareholder who desires to transfer the Shares (the **"Selling Shareholder"**) for the sale of the Shares specified therein (the **"Sale Shares"**). In the event that the Selling Shareholder has reached an agreement or arrangement with a Third Party Purchaser for the sale of the Sale Shares to such Third Party Purchaser that is binding, subject only to the provisions of the Articles, the Selling Shareholder shall state in the Transfer Notice the name of such Third Party Purchaser and the price per share at which the Sale Shares are to be sold (the **"Third Party Price"**).

- 10.2 Any Shares which are currently the subject of a Transfer Notice as a result of the operation of Articles 9.5 or 9.6 shall, until transferred, not entitle the transferor of such Shares to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class, and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution or a written consent of any member or class of members, nor shall the holder of such Shares be entitled to participate in any offer made to the members pursuant to Article 11, nor in any allotment of Shares pursuant to Article 7.

### **10.3 Calculation of the Sale Price**

The price for the Sale Shares (the **"Sale Price"**) shall be:

- (a) the Third Party Price; or
- (b) if no Third Party Price has been agreed, the price agreed by the Selling Shareholder and the Board; or
- (c) if the Selling Shareholder and the Board are unable to agree a price within 14 days of the Transfer Notice being given or deemed to be given by the Selling Shareholder, the Sale Price shall be the price which the Independent Expert shall certify to be, in his opinion, a fair price for the Sale Shares (the **"Fair Price"**).

- 10.4 If the Fair Price falls to be determined by an Independent Expert:

- (a) the Company shall immediately instruct the Independent Expert to determine the Fair Price on the basis which, in the Independent Expert's opinion, represents a fair price for the Sale Shares as between a willing seller and a willing buyer;

- (b) the Independent Expert shall certify the Fair Price as soon as possible after being instructed by the Company to do so and, in so certifying, the Independent Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply to him;
- (c) the certificate of the Independent Expert shall, in the absence of manifest error, be final and binding on the Selling Shareholder and the Company; and
- (d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of obtaining such certificate shall be borne by the Company unless:
  - (i) such an arrangement would not be permitted by the Act; or
  - (ii) the Fair Price is the same as, or within 10% of, the price (if any) which the Board had previously notified to the Selling Shareholder as being in its opinion a fair price for the Sale Shares, in which event the cost shall be borne by the Selling Shareholder.

10.5 If a person who is deemed to have given a Transfer Notice pursuant to Articles 9.5 or 9.6 has not transferred such Shares in accordance with the Transfer Notice by the date falling 30 days after the date on which the Transfer Notice is deemed to have been given or within 5 days of the expiry of the final offer period pursuant to Article 11.3, if later, the Company may nominate some person to execute an instrument of transfer of such Shares in the name and on behalf of the holder of such Shares and thereafter, when the instrument has been duly stamped, the Company shall cause the name of the transferee to be entered in the Company's register of members as the holder of such Shares.

#### **10.6 Certification of the Sale Price and right of the Selling Shareholder to cancel**

If the Independent Expert is asked to determine the Fair Price, his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Selling Shareholder. The Selling Shareholder shall be entitled, by notice in writing given to the Company within 10 days of the service upon him of the copy certificate, to cancel the Company's authority to sell the Sale Shares unless the Shares are to be sold pursuant to a Transfer Notice deemed to be given pursuant to Article 9.5 or 9.6.

#### **10.7 Right of the Selling Shareholder to reject partial sales**

A Transfer Notice issued by a Selling Shareholder, otherwise than pursuant to Articles 9.5 or 9.6 may contain a condition (a "**Total Transfer Condition**") that, unless all the Shares comprised therein are sold by the Company pursuant to Article 11, none shall be sold. Any such provision shall be binding on the Company.

### **11 PRE-EMPTION PROVISIONS**

#### **11.1 Pre-emptive offers - general**

Forthwith upon the Sale Price being agreed or determined in accordance with Article 10 then, unless the Selling Shareholder gives a valid notice of cancellation pursuant to Article 10.6, the Sale Shares shall be offered for sale as set out in this Article 11. All offers made by the Company pursuant to the Article 11 shall give details of the number and Sale Price of the Sale Shares and details of any Total Transfer Condition.

## 11.2 First Offer

The Sale Shares shall first be offered (subject to Article 11.8) for sale by the Company to all Shareholders pro rata to the number of Shares held (or deemed to be held) by each Shareholder (the **"First Offer"**).

The First Offer will invite the relevant Shareholders to state, in writing, the maximum number of the Shares offered to them that they wish to purchase and any such offer shall remain open for 21 days (the **"First Offer Period"**).

## 11.3 Second Offer

If, at the end of the First Offer Period, there are any Sale Shares which have not been accepted by the Shareholders, the Company shall offer such Shares to such Shareholders as have stated in writing their willingness to purchase all the Shares offered to them in the First Offer (the **"Second Offer"**).

The Second Offer will invite the relevant Shareholders to state, in writing, the maximum number of Shares they wish to purchase. The Board will allocate the Sale Shares pro rata to the number of Shares held or deemed to be remaining held by the relevant Shareholders. The Second Offer will remain open for a further period of 21 days (the **"Second Offer Period"**).

Thereafter, the Company shall continue to make offers (each such offer to remain open for a period of 21 days) on the same terms as the Second Offer for so long as any Shareholders continue to state, in writing, their willingness to purchase all Shares offered to them.

- 11.4 Subject to any Total Transfer Condition, allocations of Sale Shares made by the Company pursuant to this Article 11 shall constitute the acceptance by the Shareholders to whom they are allocated of the offer to purchase those Sale Shares on the terms offered to them, provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase.
- 11.5 Subject to any Total Transfer Condition, the Company shall, forthwith upon allocating any Sale Shares, give notice in writing (a **"Sale Notice"**) to the Selling Shareholder and to each person to whom Sale Shares have been so allocated of the number of Sale Shares so allocated and the aggregate price payable therefor. Completion of the sale and purchase of those Sale Shares in accordance with the Sale Notice shall take place within 5 days after the date of the Sale Notice whereupon the Selling Shareholder shall, upon payment of the price due in respect thereof, transfer those Sale Shares specified in the Sale Notice to the person to whom they have been allocated and deliver the relevant Share certificates.
- 11.6 Save in the case of an acquisition of Sale Shares by the Company, if the Selling Shareholder defaults in transferring any Sale Shares pursuant to Article 11.5 to whom the Shares have been allocated (the **"allocated person"**), the Company may receive the relevant purchase money from the allocated person and may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Selling Shareholder and thereafter, when the instrument has been duly stamped, the Company shall cause the name of the allocated person to be entered in the Company's register of members as the holder of such Sale Shares and shall hold the purchase money on trust (without interest) for the Selling Shareholder. The receipt by the Company of the purchase money shall be a good discharge to the allocated person (who

shall not be bound to see to the application thereof) and, after his name has been so entered in the Company's register of members, the validity of the proceedings shall not be questioned by any person. In the case of an acquisition of Sale Shares by the Company, if the Selling Shareholder defaults in transferring any Sale Shares pursuant to Article 11.5, the Company may nominate some person to execute an instrument of transfer of such Sale Shares in the name and on behalf of the Selling Shareholder and thereafter, when such instrument has been duly stamped, the Company shall cause such share capital to be cancelled in accordance with the Act and shall hold the purchase money on trust (without interest) for the Selling Shareholder.

- 11.7 If not all of the Sale Shares are sold pursuant to Articles 11.1 to 11.6 (inclusive), the Company shall (forthwith upon the exhaustion of such provisions) so notify the Selling Shareholder. The Selling Shareholder shall then be entitled to sell any of the Sale Shares for which no buyer has been found (including, without limitation, all of the Sale Shares if not all of the Sale Shares have been sold pursuant to a Transfer Notice validly containing a Total Transfer Condition in accordance with Article 10.6) to:

- (a) a Third Party Purchaser for the Third Party Price; or
- (b) a third party for a price not less than the Fair Value (in each case after deducting, where appropriate, any dividend or other distribution declared or made in respect of the Sale Shares after the giving of the Transfer Notice),

at any time up to the expiration of 6 weeks after the above notification is received by the Selling Shareholder.

- 11.8 For the purposes of this Article 11, references to Shareholders who are to be offered any Sale Shares shall be deemed to be a reference to such of those Shareholders who are on the Company's register of members at the close of business on the date of the Transfer Notice as holders of Shares, other than any Shareholder who, at any time before such offer is made has given (or is deemed to have given) a current Transfer Notice in respect of his Shares or any of them.

## 12 DRAG ALONG AND TAG ALONG

- 12.1 If the holder(s) of not less than 65% in aggregate nominal value of the Shares in issue (the "**Seller**") wishes to transfer all of its interest in its Shares to a Third Party Purchaser, the Seller shall have the option (the "**Drag Along Option**") to require all the other Shareholders (the "**Called Shareholders**") to sell, with full title guarantee, and transfer all their Shares to the same Third Party Purchaser (or as the Third Party Purchaser shall direct) in accordance with this Article 12.

- 12.2 The Seller may exercise the Drag Along Option by giving notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Shares to the Third Party Purchaser. A Drag Along Notice shall specify:

- (a) that the Called Shareholders are required to transfer all their Shares (the "**Called Shares**") pursuant to this Article 12;
- (b) the person to whom they are to be transferred;
- (c) the price at which the Called Shares are to be transferred (calculated in accordance with Article 12.4); and

(d) the proposed date of transfer.

- 12.3 A Drag Along Notice is irrevocable but the Drag Along Notice (and all obligations thereunder) will lapse if, for any reason, there is not a sale of Shares by the Seller to the Third Party Purchaser within 60 days after the date of the Drag Along Notice.
- 12.4 The Called Shareholders shall be obliged to sell each of the Called Shares at the price attributed by the offer from the Third Party Purchaser for a Share held by the Seller and otherwise on the same terms as the Seller.
- 12.5 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Seller's Shares unless:
- (a) all of the Called Shareholders and the Seller agree otherwise; or
  - (b) that date is less than 3 days after the Drag Along Notice, in which event it shall be deferred until the third day after the Drag Along Notice.
- 12.6 The rights of pre-emption set out in these Articles shall not arise on any transfer of Shares to a Third Party Purchaser (or as he may direct) pursuant to a sale in respect of which a Drag Along Notice or Tag Along Offer has been duly served.
- 12.7 If any Shareholder does not, on completion of the sale of Called Shares, execute transfer(s) in respect of the Called Shares held by him, the Board shall be irrevocably entitled to, and shall authorise and instruct such person as they shall think fit to, execute the necessary transfer(s) on his behalf and, against receipt by the Company (on trust for such member) of the purchase monies payable for the Called Shares, deliver such transfer(s) to the Third Party Purchaser (or as he may direct) and register the Third Party Purchaser (or as he may direct) as the holder thereof and, after the Third Party Purchaser (or his nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person.
- 12.8 If the holders of more than 65% in aggregate nominal value of the Shares in issue for the time being (the **"Tag Shareholders"**) wish to transfer all their interest in their Shares to a Third Party Purchaser (other than pursuant to Article 9.3) the Tag Shareholders shall procure that the relevant Third Party Purchaser shall make an offer to all other Shareholders to acquire their Shares at the price per Share offered by the Third Party Purchaser to the Tag Shareholders and to complete on the same proposed date of transfer (a **"Tag Along Offer"**) and completion of the acquisition of any Shares which are the subject of a Tag Along Offer, if accepted by any of the other holders, will take place at the same time as completion of the sale by the Tag Shareholders.
- 12.9 All other regulations of the Company relating to the transfer of Shares and the right to registration of transfers shall be read subject to the provisions of this Article 12.

### 13 COMPLIANCE

For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company may require any Shareholder to procure that:

- (a) he; or
- (b) any proposed transferee of any Shares; or



- (c) such other person as is reasonably believed to have information and/or evidence relevant to such purpose,

provides to the Company any information and/or evidence reasonably relevant to such purpose and, until such information and/or evidence is provided, the Company shall refuse to register any relevant transfer.

- 13.2 Each Shareholder hereby irrevocably appoints the Company as its attorney (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this power of attorney) to give effect to the provisions of these Articles.

## **14 GENERAL MEETINGS**

- 14.1 The final sentence of Regulation 38 of Table A shall be modified by the insertion of the words "known by the Board to be" after the words "to all persons".
- 14.2 No meeting of Shareholders shall be quorate unless those Shareholders present include (whether in person or by a duly authorised representative or a proxy) holders of not less than 50 per cent of the Shares in issue for the time being and Regulation 40 of Table A shall be construed accordingly.
- 14.3 Regulation 62 of Table A shall be modified by the substitution in paragraph (a) of the words "at any time" in place of "48 hours" and by the substitution in paragraph (b) of the words "at any time" in place of "24 hours".

## **15 DIRECTORS**

### **15.1 Numbers of Directors**

The number of directors shall not be less than one in number.

- 15.2 For so long as EPIC holds any Shares it shall have the right from time to time to appoint one person to be a non-executive director of the Company (an "**EPIC Director**") and to remove from office any person so appointed and to appoint another person in his place. EPIC shall also be entitled to require that any such EPIC Director be appointed as a non-executive director of each subsidiary of the Company and to be appointed to (a) any committee or sub-committee of or established by the Board (or any committee thereof) and (b) any committee or sub-committee of or established by the board of directors of any subsidiary.
- 15.3 On any resolution to remove an EPIC Director, or to amend or alter Articles 15.2, 15.3 and 15.4 (or to alter their effect), Shares held by EPIC shall together carry at least one vote in excess of 75 per cent. of the vote exercisable at the general meeting at which such resolution is to be proposed.
- 15.4 Any appointment or removal pursuant to Article 15.2 shall be in writing served on the Company. Such appointment or removal of EPIC may be signed by or on behalf of EPIC by any director or the secretary of EPIC by its duly appointed attorney or by its duly authorised representative.

## **15.5 Appointment and removal of Directors**

- (a) The Board may appoint a person who is willing to act to be a director to fill a vacancy.
- (b) Regulation 84 of Table A shall be modified by the deletion of the third and fourth sentences.
- (c) No director shall be required to vacate his office as a director, nor shall any person be ineligible for appointment as a director, by reason of his having attained any particular age.
- (d) The office of a director shall be vacated if:
  - (i) subject to Article 15.5(c), he ceases to be a director by virtue of any provision of the Act or these Articles (including, without limitation, Articles 15.2 or 15.5(f)) or he becomes prohibited by law from being a director of a company;
  - (ii) he becomes bankrupt or makes any arrangement or composition with his creditors generally;
  - (iii) he is, or may be, suffering from mental disorder and either:
    - (A) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960; or
    - (B) an order is made by a court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property or affairs;
  - (iv) he resigns his office by notice in writing to the Company;
  - (v) he is convicted of a criminal offence (other than a minor motoring offence) and the directors resolve that his office be vacated; or
  - (vi) he shall for more than 6 consecutive months have been absent without permission of the Board from meetings of directors held during that period and the Board resolves that his office be vacated.
- (e) Without prejudice to Article 15.1, the Majority Shareholders may, by ordinary resolution, appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director.
- (f) In addition and without prejudice to the provisions of section 303 of the Act, but subject to the provisions of Clause 14 of the Investment Deed, the provisions of directors' appointment letters and Articles 15.2 to 15.3 (inclusive), the Company may, by ordinary resolution, remove any director before the expiration of his period of office and may, by ordinary resolution, appoint another director in his place.

## **15.6 Alternate Directors**

A Director shall be entitled to appoint (with prior consultation with the Board as to identity) any person willing to act, whether or not he is a director, to be his alternate director.

## **15.7 Proceedings of Directors**

- (a) Notice of every meeting of the Board shall be given to each director at any address in the United Kingdom supplied by him to the Company for that purpose, whether or not he is present in the United Kingdom, provided that any director may waive notice of any meeting, either prospectively or retrospectively, and if he does so it shall be no objection to the validity of the meeting that notice was not given to him.
- (b) Regulation 89 of Table A shall be modified:
  - (i) by the deletion of the words "may be fixed by the directors and unless so fixed at any other number" in the first sentence;
  - (ii) by the addition of the words "PROVIDED THAT, if an EPIC Director has been appointed, the EPIC Director is present at the meeting or has waived in writing the requirement to attend the meeting" at the end of the first sentence; and
  - (iii) by the addition of the following as the final sentence:

"In the event that a meeting of the directors is attended by a director who is acting as alternate for one or more other directors, the director or directors for whom he is the alternate shall be counted in the quorum notwithstanding their absence and, if on that basis there is a quorum, the meeting may be held notwithstanding the fact (if it is the case) that only one director is physically present."
- (c) Notices of meetings of the Board shall be given in writing and, in its application to the Company, Regulation 111 of Table A shall be modified accordingly.
- (d) Any director (including an alternate director) may participate in a meeting of the Board or a committee of the Board of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other, and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is.
- (e) Subject to the provisions of the Act and provided that he has already disclosed to the Board the nature and extent of any material interest of his, a director, notwithstanding his office:
  - (i) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;

- (ii) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (iii) may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested; and
- (iv) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit,

but shall not, subject to Article 15.7(f), be entitled to vote and be counted in the quorum on any matter concerning the foregoing paragraphs of this Article 15.7(e).

(f) For the purposes of this Article 15.7:

- (i) 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;
- (ii) an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (iii) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these Articles were adopted) connected with a director shall be treated as an interest of the director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise always provided that the EPIC Director (if appointed) and his alternate (if any) shall not be treated as connected with EPIC and they shall each accordingly be entitled to vote and count in the quorum on any matter in which EPIC is interested, notwithstanding the provisions of Article 15.7(e).

## 16 GENERAL MEETINGS

No business shall be transacted at any general meeting unless a quorum is present when the meeting proceeds to business, but the absence of a quorum shall not preclude the choice or appointment of a chairman which shall not be treated as part of the business of the meeting. Two members present in person or by proxy and entitled to vote shall be a quorum for all purposes PROVIDED THAT there shall be no quorum at any general meeting unless EPIC is present at such meeting in person (by means of a duly appointed corporate representative) or by proxy, or if EPIC has waived this right in writing.

## **17 INDEMNITIES AND INSURANCE**

- 17.1 Subject to the provisions of the Act (but without prejudice to any indemnity to which a director may otherwise be entitled), every director or other officer or auditor of the Company shall be indemnified out of the assets of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution of his duties or in relation thereto including any liability incurred by him in defending any proceedings whether civil or criminal, in which judgement is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which relief is granted to him by the court from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company.
- 17.2 The directors may exercise all the powers of the Company to purchase and maintain insurance for the benefit of a person who is an officer or employee, or former officer or employee, of the Company or of a company which is a subsidiary of the Company or in which the Company has an interest (whether direct or indirect), or who is or was trustee of a retirements benefits scheme or another trust in which an officer or employee, or former officer or employee, is or has been interested, indemnifying him against liability for negligence, default, breach of duty or breach of trust or any liability which may lawfully be insured against by the Company.