

Company number: 06055242

FRIDAY



A28

A43KVZQ8

20/03/2015

#45

COMPANIES HOUSE

PRIVATE COMPANY LIMITED BY SHARES

RESOLUTIONS

of

BUTTERS GROUP LIMITED

(passed on 18 March 2015)

At a general meeting of the above named Company duly convened and held on 18 March 2015 the following resolutions were duly passed as ordinary or special resolutions of the Company (as indicated)

SPECIAL RESOLUTION

- 1 **THAT** the articles of association of the Company attached to this notice be
- 1 1 adopted as the new articles of association of the Company (the **New Articles**) in substitution for, and to the exclusion of, the existing articles of association of the Company, and
- 1 2 amended as the case may require in relation to the precise share capital of the Company arising as a result of the resolution numbered 2 below not being passed on the date scheduled for the meeting above

ORDINARY RESOLUTION

- 2 **THAT**, in addition to all existing and unexercised authorities and powers, the directors of the Company be generally and unconditionally authorised for the purpose of section 551 of the Companies Act 2006 (the **Act**) to exercise all or any of the powers of the Company to allot the following

Subscriber	Number of L Ordinary shares of £1.00 each	Number of Preferred Dividend Ordinary shares of £1.00 each (or such number of Preferred Dividend Ordinary shares of £1.00 each as is equal to the entitlement in each case of that holder of Preference shares of £1.00 each in respect of his accrued Preferred Dividend on the date of passing of the resolution, if such event does not occur on the date scheduled for the meeting above)
Andy Coaten		37,547 49
Andy Coaten (warehouse)		18,037 30
Graham Dunn		215,642 63
Mark Walker		25,877 08

Subscriber	Number of L Ordinary shares of £1 00 each	Number of Preferred Dividend Ordinary shares of £1 00 each (or such number of Preferred Dividend Ordinary shares of £1 00 each as is equal to the entitlement in each case of that holder of Preference shares of £1.00 each in respect of his accrued Preferred Dividend on the date of passing of the resolution, if such event does not occur on the date scheduled for the meeting above)
Warren Hatchett		16,449 88
Chris Miller		27,804 50
Jeff Hooper		36,633 79
Sarah Davenport		2,087 56
Pete Lomax		2,087 56
Steve Phillips		3,261 82
Paul Bown	7,215	16,590 91
Nigel Burton	11,464	17,113 67
David Freeborn	2,886	6,636 71
Peter Gadsby	7,215	16,590 91
Chris Gilliat	5,572	10,500 44
Alan Greenough	722	1,659 61
Stephen Harlow	1,443	3,318 36
Tony Hillary	7,215	16,590 91
Stephen Kitts	3,945	6,295 74
Roger Lane-Smith	1,154	2,654 68
Lloyds Development Capital (Holdings) Limited	216,448	497,735 00
Rob Metcalfe	3,840	6,518 41
Audrey Miller	722	1,659 61
Douglas Miller	722	1,659 61
Jon Moulton	1,443	3,318 36
Park Investments Limited	8,658	19,909 26

Subscriber	Number of L Ordinary shares of £1.00 each	Number of Preferred Dividend Ordinary shares of £1 00 each (or such number of Preferred Dividend Ordinary shares of £1.00 each as is equal to the entitlement in each case of that holder of Preference shares of £1 00 each in respect of his accrued Preferred Dividend on the date of passing of the resolution, if such event does not occur on the date scheduled for the meeting above)
Chris Prentice	2,886	6,636 71
Jason Sherwill	1,443	3,318 36
David Smith	3,408	5,523 34
Sorel Investments Limited	722	1,659 61
Peter Stone	2,886	6,636 71
John Stork	10,077	16,236 89
David Tilly	6,814	11,045 82
Peter Wakenham	722	1,659 61
Geraldine Warren	2,065	3,591 48
Jack Warren	2,065	3,591 48
BW SIPP Trustees Limited	3,302	5,745 15
Bruce Westbrook	2,148	3,090 46
Olivia Westbrook	2,148	3,090 46
Alex Westbrook	2,148	3,090 46
Aslan Investments Limited	44,901	68,572 09
Martin Bodenham	2,269	4,754 42
Trevor Jones	2,269	4,754 42
Simon Esdale	13,348	29,388 42
Advantage Capital Limited	29,662	66,146 17
Advantage Capital Founders Partnership	87,451	201,111 46
Robert Adair	3,347,102	3,233,975 81
Total	3,850,500	4,697,801.13

to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the New Articles), provided always that

- 2 1 the number of Preferred Dividend Ordinary shares of £1 00 each to be issued as stated above shall be indicative of the number of Preferred Dividend Ordinary shares of £1 00 each to be issued should this resolution 2 be passed on the date scheduled for the meeting above and if such resolution is not passed on the date scheduled for the meeting above, such issue shall be equal to the entitlement in each case of each holder of Preference shares of £1 00 each in respect of his accrued Preferred Dividend on the date of passing of this resolution 2, and
- 2 2 this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on the day which is six months from the date on which this resolution is passed save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require equity securities (as defined in section 560 of the Act) to be allotted after the expiry of such period and the directors of the Company may allot equity securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired

SPECIAL RESOLUTION

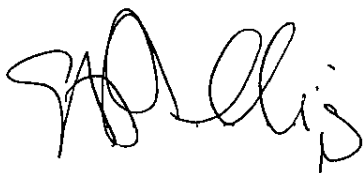
- 3 Subject to and conditional on the passing of resolution numbered 1 in the notice convening the meeting at which this resolution was proposed
- 3 1 **THAT** the historic accrued and future dividend rights currently arising under the Preference shares of £1 00 each in the capital of the Company shall be released and satisfied by conversion in the form of the issue to Preference share holders of one Preferred Dividend Ordinary share of £1 00 each (as defined and having the rights and being subject to the obligations set out in the New Articles) for each £1 00 accrued dividend (down to the date of the resolution) in accordance with the table at resolution numbered 2 above, and
- 3 2 **THAT** subject thereto, each of the existing Preference shares of £1 00 each in the capital of the Company be re-classified as a P Ordinary share of £1 00 each in the capital of the Company, such P Ordinary shares having the rights and being subject to the obligations set out in the New Articles

ORDINARY RESOLUTION

- 4 **THAT** the variation of the instrument dated 22 August 2008 constituting £3,850,500 fixed rate secured series A loan notes (the **Loan Notes**) and the release and satisfaction of the principal amount of the Loan Note debt and all future interest thereunder (from the date of the resolution onwards) by conversion in the form of the issue of 3,850,500 L Ordinary shares of £1 00 each having the rights and being subject to the obligations set out in the New Articles, be ratified and approved, and

for the avoidance of doubt, all historic accrued and unpaid interest on the principal amount of the Loan Notes (down to the date fixed for the meeting above) will remain payable and secured on the terms of the Loan Note Instrument and interest will continue to accrue thereon

Director



Date 18 March 2015

Company number: 06055242

**PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS**

of

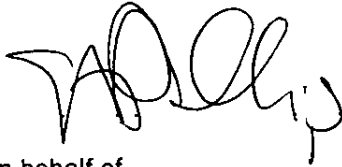
BUTTERS GROUP LIMITED

Circulation date 5 March 2015

NOTICE IS GIVEN that the written resolutions circulated to the eligible members of the Company on 5 March 2015 (a copy of which is attached to this notice) were duly passed as special resolutions of the Company (as indicated) on 18 March 2015

Date 18 March 2015

Director
For and on behalf of
Butters Group Limited



A28

20/03/2015
COMPANIES HOUSE

#42

Company number 06055242

**PRIVATE COMPANY LIMITED BY SHARES
WRITTEN RESOLUTIONS
of
BUTTERS GROUP LIMITED
Circulation date. 5 March 2015**

In accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006, the following resolutions are passed as special resolutions

**SPECIAL RESOLUTIONS
OF THE COMPANY**

- 1 THAT conditionally on the passing of all Resolutions at an Extraordinary General Meeting of the Company on 18 March 2015 or any adjournment of such meeting the Articles of Association adopted pursuant to the first resolution set out in the notice convening such meeting shall be varied by the substitution in Article 2 1 of the definition of "Future L Value" with the following

"Future L Value" means an amount accruing at the rate of eight per cent (8%) per annum on a daily basis (compounded on 31 December in each year) on the aggregate Issue Price of the L Ordinary Shares issued on the date of adoption of these Articles and calculated from the date of issue of the L Ordinary Shares down to and including the Exit Date, divided by the number of L Ordinary Shares issued on the date of adoption of these Articles and in issue at the time of calculation

**SPECIAL RESOLUTIONS
OF
THE A ORDINARY SHAREHOLDERS (AS A CLASS)
THE PREFERENCE SHAREHOLDERS (AS A CLASS)**

- 2 THAT the passing of the resolution of the Company set out above be approved

The undersigned, being persons eligible to vote on the above resolutions on the circulation date irrevocably agree to each of those resolutions in their capacity as holders of A Ordinary Shares, Ordinary Shares and Preference Shares in the Company (as the case may be)

Simon Esdale
Date

Martin Bodenham
Date

Trevor Jones
Date

Graham Dunn
Date

Mark Walker

Christopher Miller

Date

Jeffrey Hooper

Date

Steven Phillips

Date

Peter Lomax

Date

Alan Greenough

Date

Chris Prentice

Date

David Smith

Date

Audrey Miller

Date

Sorel Investments Limited

Date

Jack Warren

Date

Andrew Coaten

Date

Warren Hatchett

Date

Sarah Davenport

Date

Chris Gilliat

Date

David Freeborn

Date

David Tilly

Date

Douglas Miller

Date

Geraldine Warren

Date

Jason De B Sherwill

Date

Date

John Stork

Jon Moulton

Date

Date

Lloyds Development Capital (Holdings) Limited

Aslan Investments Limited

Date

Date

Nigel Burton

Park Investments Limited

Date

Date

Paul Bown

Peter Gadsby

Date

Date

Peter Stone

Peter Wakeham

Date

Date

Rob Metcalfe

Roger Lane-Smith

Date

Date

Robert Adair

Bruce Westbrook

Date

Date

Olivia Westbrook

Alex Westbrook

Date

Date

Stephen Harlow

Stephen Kitts

Date

Date

Tony Hillary
Date

BW SIPP Trustees Limited
Date

The Advantage Capital Founders' Partnership
Date

Advantage Capital Limited
Date

NOTES

- 1 If you agree with the resolutions, please communicate your agreement using one of the following methods
 - **E-mail** by attaching a scanned copy of the signed and dated document to an e-mail or otherwise signifying your agreement to the Resolutions in all capacities relevant to you in an email in each case sent to nross@gateleyuk.com. Please enter "Written resolution dated 5 March 2015" in the e-mail subject box
 - **By hand** delivering the signed and dated copy to Gateley LLP, Park View House, 58 The Ropewalk, Nottingham NG1 5DW (marked for the attention of Nik Ross)
 - **Post** returning the signed and dated copy by post to Gateley LLP, Park View House 58 The Ropewalk, Nottingham NG1 5DW (marked for the attention of Nik Ross)

If you do not agree with the resolutions, you do not need to do anything you will not be deemed to agree if you fail to reply
- 2 Once you have indicated your agreement to the resolutions, you may not revoke your agreement
- 3 The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to them by the end of the period of 28 days beginning with the circulation date set out above. If you agree to the resolutions, please ensure that your agreement reaches us before that date
- 4 In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members
- 5 If you are signing this document or otherwise acting on behalf of a person under a power of attorney or other authority please send a copy of the relevant power of attorney or authority when returning this document

DATED

18 March

2015

BUTTERS GROUP LIMITED

(company number 06055242)

ARTICLES OF ASSOCIATION

adopted on *18th March* 2015

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1. PRELIMINARY

1 1 The model articles for private companies limited by shares contained in schedule 1 of the Companies (Model Articles) Regulations 2008 as amended prior to, and in force as at, the Adoption Date hereinafter called the "Model Articles" shall apply to the Company, save in so far as they are expressly excluded or varied by these Articles and such regulations (save as so excluded or varied) and these Articles shall together constitute the regulations of the Company

1 2 Articles 14, 17, 26(5) and 49 of the Model Articles shall not apply to the Company

2. INTERPRETATION

2 1 In these Articles unless the context otherwise requires each of the following words and expressions shall have the following meanings

"Acting in concert" has the meaning set out in the City Code on Takeovers and Mergers for the time being,

"Adoption Date" the date of the adoption of these Articles by the Company,

"Additional Director" means a director of the Company appointed pursuant to Article 22,

"A Ordinary Shares" means the A ordinary shares of £1 00 each in the share capital of the Company,

"Auditors" means the auditors to the Company for the time being,

"Bestport" means Bestport Ventures LLP of 29 Gloucester Place, London W1U 8HX or such other party as the Investors appoint to act as their agent pursuant to Clause 27 of the Investment Agreement,

"Board" means the board of directors of the Company from time to time,

"Business Day" means any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business,

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

"Controlling Interest" means an interest in Shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company,

"Connected Person" shall be determined in accordance with section 1122 Corporation Tax Act 2010 (except that in construing section 1122 "control" has the meaning given by section 1124 or section 450 of such act so that there is control whenever section 1124 or 450 requires),

"Director" means a duly appointed director of the Company for the time being,

"Deferred Shares" means the deferred shares of £1 00 each in the capital of the Company,

"Eligible Director" means a Director who would be entitled to vote on a matter at a meeting of the Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter) and references to eligible directors in article 8 of the Model Articles shall be construed accordingly,

"Employee Trust" means any trust established by the Company for the benefit of employees and/or any of the persons referred to in section 1166 Companies Act and which has been approved in writing by Bestport,

"Equity Shares" means the A Ordinary Shares and Ordinary Shares in the capital of the Company,

"Exit Date" means

- (a) in the case of a Sale, the date of completion of a Sale,
- (b) in the case of a Listing, the date on which the Shares are Listed, and
- (c) in the case of a liquidation, the date of the order or making of an effective resolution for winding up the Company,

"Family Member" means the wife or husband (or widow or widower), children and grandchildren (including step and adopted children and grandchildren) of a member of the Company,

"Family Shares" means in relation to a member of the Company, any Shares for the time being held by that member or any of his Family Members or trustees of his Family Trust ,

"Family Trust" means in relation to a member of the Company, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such member or any of his Family Members,

"Financial Year" means an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Companies Act,

"FSMA" means the Financial Services and Markets Act 2000 (as amended from time to time),

"Future L Value" means an amount accruing at the rate of eight per cent (8%) per annum on a daily basis (compounded on 31 December in each year) on the aggregate Issue Price of the L Ordinary Shares issued on the date of adoption of these Articles and calculated from the date of issue of the L Ordinary Shares down to and including the Exit Date, divided by the number of L Ordinary Shares issued on the date of adoption of these Articles and in issue at the time of calculation,

"Future Preferred Value" means an amount accruing at the rate of eight per cent (8%) per annum on a daily basis and compounded six monthly on the aggregate Issue Price of the P Ordinary Shares and Preferred Dividend Ordinary Shares issued on the date of adoption of these Articles and calculated from the date of issue of such shares down to and including the Exit Date, divided by the number Preferred Dividend Ordinary Shares issued on the date of adoption of these Articles and in issue at the time of calculation,

"Group" means the Company and its subsidiary undertakings from time to time and references to "member of the Group" and "Group Company" shall be construed accordingly,

"Holder" means in respect of any share in the capital of the Company, the person or persons for the time being registered by the Company as the holder of that share,

"Investors' Investment" means the total amount from time to time invested by the Investors in the Company or any subsidiary including subscriptions for Shares and Loan Notes (including for the avoidance of doubt any funds invested pursuant to the Investment Agreement or any subsequently invested),

"Investment Agreement" means the investment agreement dated 28 March 2007 and made between the Company, Advantage (as defined therein), the Investors (as defined therein) and the Managers (as defined therein) as may be supplemented, varied or amended from time to time,

"Investment Date" means 28 March 2007,

"Investors" means the Investors as defined in the Investment Agreement (including any additional or replacement Investor who is joined as an Investor in a deed of adherence or deed of accession executed in accordance with the Investment Agreement) together with Martin Bodenham and Trevor Jones,

"Investor Director(s)" means the director(s) appointed pursuant to Article 22,

"Investor Group" means in relation to each Investor

- (a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor (each a **"Relevant Person"**), or
- (b) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser, or
- (c) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser, or
- (d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person, or
- (e) any nominee or trustee of any Relevant Person, or
- (f) any director or shareholder for the time being of Bestport, or

(g) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person,

"Issue Price" means in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium,

"L Ordinary Shares" means the L ordinary shares of £1 00 each in the share capital of the Company,

"Listing" means the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any part of the share capital of the Company to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any part of the share capital of the Company to trading on the Alternative Investment Market of London Stock Exchange plc or the admission to trading on any recognised investment exchange (as defined by section 285 of FSMA) of any part of the share capital of the Company, and, in each case, such admission becoming effective , and **"Listing"** shall be construed accordingly,

"Loan Documents" means the Group's bank facility agreements and associated documents which are in place from time to time,

"Loan Note Instrument" means the loan note instrument dated 22 August 2008 constituting the Loan Notes as the same may be amended, supplemented or replaced from time to time,

"Loan Notes" means the £3,850,500 secured 8% series A loan notes of the Company constituted by the Loan Note Instrument with interest thereon accrued to the date of adoption of these Articles,

"Ordinary Shares" means the ordinary shares of £1 00 each in the capital of the Company,

"P Ordinary Shares" means the P ordinary shares of £1 00 each in the share capital of the Company,

"Preferred Dividend Ordinary Shares" means the preferred dividend ordinary shares of £1 00 each in the share capital of the Company,

"Realisation Value" means the aggregate of (1) the value of the cash amount to be applied in the payment in full of amounts due in respect of the outstanding Loan Notes and L Ordinary Shares (2) the value of the cash amount to be applied in making payments in full of all amounts due in respect of the P Ordinary Shares and Preferred Dividend Ordinary Shares and (3) the value of the issued Equity Shares on a Sale or Listing calculated as follows (and on the basis that the Sale or Listing has been effected in accordance with its terms)

- (a) in the event of a Listing, the market value of the shares subject to the Listing determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the investment bank or other financial adviser or, if none, the broker appointed by the Board (such appointment to be with the prior written approval of Bestport) to advise in connection with the Listing,
- (b) in the event of a Sale
 - (i) if the Shares are to be sold by private treaty (as distinct from a public offer) and the consideration is a fixed cash sum payable in full on completion of the Sale, the total amount of such cash sum,
 - (ii) if a written offer has been made for a cash consideration or, if the Sale is pursuant to any other public cash offer or public offer accompanied by a cash alternative, the total cash consideration or cash alternative for all the Shares of the Company for which the offer is made,
 - (iii) if the Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative)
 - (A) if the securities will rank *pari passu* with a class of securities already admitted to trading on a recognised investment exchange (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement

setting out the terms of such sale or, (in the case of a Sale following a public offer or failing any such attribution in the sale agreement) by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the period of five Business Days ending three days prior to the day on which the Sale is completed, or

- (B) if the securities are not of such a class, the value of the relevant consideration as agreed in writing between Bestport and the Board or, in the absence of such agreement prior to the Sale, such value as is reported on by the Auditors in a report obtained for the purpose and addressed to the holders of the Shares. The cost of such report to be shared amongst the holders of the Shares pro rata to their holdings of Shares immediately prior to the Sale,
- (iv) to the extent that the Sale includes an element of non-contingent and clearly quantified deferred consideration, its value shall be the present value of such deferred consideration as discounted at a rate to be agreed in writing by the Board and Bestport but failing agreement the rate of the discount is to be determined by the Auditors in a report obtained for the purpose and addressed to the holders of the Shares. The cost of such report to be shared amongst the holders of the Shares pro rata to their holdings of Shares immediately prior to the Sale,
- (v) to the extent that the Sale includes an element of consideration which is contingent and/or unquantified, then no value shall be ascribed thereto in determining the Realisation Value, but the provisions of Article 10.3 shall apply,
- (vi) if and to the extent that the circumstances described in paragraphs (i) to (v) above are not applicable, the value of the relevant consideration to be agreed in writing between Bestport and the Board or, in the absence of such agreement prior to the Sale, such value as is reported on by the Auditors in a report obtained for the purpose

and addressed to the holders of the Shares. The cost of such report to be shared amongst the holders of the Shares pro rata to their holdings of Shares immediately prior to the Sale, and

- (vii) to the extent that the Sale is a sale of the whole or a material part of the business and undertaking of the Company or any company in the Group, the aggregate amount of funds available for distribution amongst the holders of the Shares (but without any double counting) (whether by income or capital distribution and or upon winding up of the Company) following such Sale,

"Recognised Investment Exchange" has the meaning given to the expression in section 285(1) FSMA,

"Register" means the register of members of the Company to be maintained under the Companies Act,

"Sale" means the transfer (other than a transfer permitted under Articles 14.1, 14.2.1 and 14.2.2) of any interest in the Shares to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest or the sale of the whole or a material part of the business of the Company or of any company in the Group,

"Shares" means the Ordinary Shares, the A Ordinary Shares, the P Ordinary Shares, the L Ordinary Shares and the Preferred Dividend Ordinary Shares,

"Syndicatee" means any person who will receive a transfer of shares and/or a transfer of Loan Notes under clause 15 of the Investment Agreement,

"Transfer Price" means in relation to a Transfer Notice given under a voluntary transfer pursuant to Article 15 where the proposed purchaser specified in the Transfer Notice is not connected with any member of the Company, the Provisional Transfer Price (as defined at Article 15.1.3), but in all other cases will be the price agreed between the Board (with the prior written agreement of Bestport) and the vendors or, failing agreement, the fair value as determined by the Auditors pursuant to Article 18 or such other value as may be provided for in Article 17.4,

"Warehouse" means any or all of the Company, an Employee Trust, employees or directors of any Group Company in such numbers and proportions of Shares as Bestport agrees in writing,

2 2 In these Articles, a reference to

2 2 1 a statutory provision includes a reference to the statutory provision as replaced, modified or re-enacted from time to time before or after the Adoption Date and any subordinate legislation made under the statutory provision before or after the Adoption Date,

2 2 2 a "subsidiary" shall include a reference to a "subsidiary" and a "subsidiary undertaking" (each as defined in the Companies Act) and a reference to a "holding company" shall include a reference to a "holding company" and a "parent undertaking" (each as defined in the Companies Act),

2 2 3 a person includes a reference to an individual, body corporate, association, government, state, agency of state or any undertaking (whether or not having a legal personality and irrespective of the jurisdiction in or under the law of which it was incorporated or exists),

2 2 4 writing includes any mode of reproducing words in a legible and non-transitory form,

2 2 5 "these Articles" is to these articles of association (including the provisions of the Model Articles incorporated in them), and a reference to an article is to an article of these Articles, in each case as amended from time to time in accordance with the terms of these Articles and the Companies Act, and

2 2 6 any agreement or document is to that agreement or document as in force for the time being and as amended from time to time in accordance with the terms of that agreement or document or with the agreement of all the relevant parties

2 3 The contents table and headings in these Articles are for convenience only and do not affect the interpretation or construction of these Articles

2 4 Words importing the singular include the plural and vice versa and words importing a gender include every gender

2 5 The words "other", "include", "including" and "in particular" do not limit the generality of any preceding words and any words which follow them shall not be construed as being limited in scope to the same class as the preceding words where a wider construction is possible

2 6 Words and expressions defined in or having a meaning provided by the Companies Act (but excluding any statutory modification not in force on the date of adoption of these Articles) or the Investment Agreement will, unless the context otherwise requires, have the same meanings when used in these Articles

2 7 These Articles shall be binding on and shall survive for the benefit of the personal representatives and successors-in-title of each Member

3. SHARE RIGHTS

Share Capital

Notwithstanding any other provisions of these Articles, the maximum issued share capital of the Company shall be £14,220,553 divided into 31,228 Ordinary Shares, 225,480 A Ordinary Shares, 2 Deferred Shares, 3,850,500 L Ordinary Shares, 4,697,801 Preferred Dividend Ordinary Shares, and 5,415,542 P Ordinary Shares and with all shares having a nominal value of £1 each

4. L ORDINARY SHARES

The rights attached to the L Ordinary Shares are as follows

4 1 Dividend

Save in respect of a distribution of the proceeds of a Sale (where such Sale is of the whole or a material part of the business of the Company or of any company in the Group) and in which case the provisions of Article 10 shall apply, the holders of the L Ordinary Shares shall not be entitled to a dividend in any circumstances

4 2 Capital

On a return of capital on liquidation or capital reduction or otherwise (other than on a Sale or Listing), the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the order of priority set out in Article 10 1, in paying to each member holding L Ordinary Shares

4 2 1 all unpaid arrears and accruals of any dividends which have been declared but are unpaid on the L Ordinary Shares held by him, calculated down to and including the date the return of capital is made and subject thereto,

4 2 2 an amount equal to the aggregate of Issue Price and the Future L Value in respect of all the L Ordinary Shares held by him

4 3 **Voting**

The L Ordinary Shares shall not confer on the holders as such any right to attend any meeting of the Company or to any votes in respect of their L Ordinary Shares

5. **P ORDINARY SHARES**

The rights attached to the P Ordinary Shares are as follows

5 1 **Dividend**

Save in respect of a distribution of the proceeds of a Sale (where such Sale is of the whole or a material part of the business of the Company or of any company in the Group) and in which case the provisions of Article 10 shall apply, the holders of the P Ordinary Shares shall not be entitled to a dividend in any circumstances

5 2 **Capital**

On a return of capital on liquidation or capital reduction or otherwise (other than on a Sale or Listing), the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the order of priority set out in Article 10 1, in paying to each member holding P Ordinary Shares

5 2 1 all unpaid arrears and accruals of any dividends which have been declared but are unpaid on the P Ordinary Shares held by him, calculated down to and including the date the return of capital is made and subject thereto,

5 2 2 an amount equal to the Issue Price of all the P Ordinary Shares held by him

5 3 **Voting**

The P Ordinary Shares shall not confer on the holders as such any right to attend any meeting of the Company or to any votes in respect of their P Ordinary Shares

6. PREFERRED DIVIDEND ORDINARY SHARES

The rights attached to the Preferred Dividend Ordinary Shares are as follows

6 1 Dividend

Save in respect of a distribution of the proceeds of a Sale (where such Sale is of the whole or a material part of the business of the Company or of any company in the Group) and in which case the provisions of Article 10 shall apply, the holders of the Preferred Dividend Ordinary Shares shall not be entitled to a dividend in any circumstances

6 2 Capital

On a return of capital on liquidation or capital reduction or otherwise (other than on a Sale or Listing), the surplus assets of the Company remaining after the payment of its liabilities shall be applied, subject to the order of priority set out in Article 10 1, in paying to each member holding Preferred Dividend Ordinary Shares

6 2 1 all unpaid arrears and accruals of any dividends which have been declared but are unpaid on the Preferred Dividend Ordinary Shares held by him, calculated down to and including the date the return of capital is made and subject thereto,

6 2 2 an amount equal to the aggregate of the Issue Price and Future Preferred Value in respect of all the Preferred Dividend Ordinary Shares held by him

6 3 Voting

The Preferred Dividend Ordinary Shares shall not confer on the holders as such any right to attend any meeting of the Company or to any votes in respect of their Preferred Dividend Ordinary Shares

7. A ORDINARY SHARES AND ORDINARY SHARES

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

7 1 Capital

On a return of capital on liquidation or capital reduction or otherwise (other than on a Sale or Listing), the surplus assets of the Company remaining after the payment of its

liabilities shall be applied and paid, subject to satisfaction of all other shareholder payments in the order of priority set out in Article 10 1

7 1 1 in paying to each member holding A Ordinary Shares and Ordinary Shares (pari passu as if they constituted one class of share)

7 1 1 1 all unpaid arrears and accruals of any dividends which have been declared but are unpaid on the A Ordinary Shares and the Ordinary Shares held by him, calculated down to and including the date the return of capital is made and, subject thereto,

7 1 1 2 an amount equal to the Issue Price of all the A Ordinary Shares and the Ordinary Shares held by him, and

7 1 2 thereafter, in distributing the balance of such assets amongst the holders of the Ordinary Shares and the A Ordinary Shares (pari passu as if they constituted one class of share) in proportion to the numbers of the Ordinary Shares and the A Ordinary Shares held by them respectively

7 2 **Voting**

7 2 1 The holders of the A Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holder of A Ordinary Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy shall, on a show of hands, have one vote and, on a poll, have one vote each for every A Ordinary Share of which he is the holder Bestport shall at all times be entitled to exercise these rights as agent for and on behalf of such holders of the A Ordinary Shares

7 2 2 The holders of the Ordinary Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holder of Ordinary Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote for each Ordinary Share of which he is the holder

8. DEFERRED SHARES

The Deferred Shares shall not entitle the holders to receive notice of or to attend or vote at any general meeting or to participate in any profits or assets of the Company

9. EQUITY SHARE DIVIDENDS

No dividends may be declared or paid on any Equity Shares without the prior written consent of Bestport Any dividends which are declared or paid on the Equity Shares shall be declared in favour of, and paid to, each member holding A Ordinary Shares and Ordinary Shares *pari passu* as if they constituted one class of share

10. SALE OR LISTING OF THE SHARE CAPITAL

10 1 In the event of a Sale then, notwithstanding anything to the contrary in the terms and conditions governing such Sale the selling holders (immediately prior to such Sale) shall procure that the Realisation Value (whenever received) shall be paid into a designated trustee account and shall be allocated and paid amongst such selling holders in the following manner and order of priority

10 1 1 in paying all amounts due in respect of the Loan Notes (if any),

10 1 2 in paying in respect of each of the L Ordinary Shares, the aggregate of the Issue Price and Future L Value per L Ordinary Share as if the Sale were to be treated as a return of capital pursuant to article 4 2,

10 1 3 in paying in respect of each of the P Ordinary Shares, the Issue Price per P Ordinary Share as if the Sale were to be treated as a return on capital pursuant to article 5 2 and (*pari passu*) in paying in respect of each of the Preferred Dividend Ordinary Shares, the Issue Price per Historic Preferred Dividend Ordinary Share as if the Sale were to be treated as a return on capital pursuant to article 6 2 and,

10 1 4 in paying in respect of each of the Preferred Dividend Ordinary Shares, the Future Preferred Value per Preferred Dividend Ordinary Share as if the Sale were to be treated as a return on capital pursuant to article 6 2,

10 1 5 in paying in respect of all the Equity Shares subject to the Sale an amount equal to all arrears of dividends on the Equity Shares,

- 10 1 6 in paying, in respect of those Equity Shares subject to the Sale the Issue Price thereof as if the Sale were to be treated as a return of capital pursuant to Article 7 1 1, and
- 10 1 7 thereafter in distributing the balance as if the same were a return of capital pursuant to Article 7 1 2
- 10 2 The amounts due pursuant to Articles 10 1 1 to 10 1 7 (inclusive) shall only be paid to the extent that there are sufficient proceeds to satisfy them in the order of priority set out in this Article 10 and, to the extent that there are not sufficient proceeds, shall be paid pro rata between the holders of the relevant class of Shares or Loan Notes (as applicable) according to the number of such relevant class of Shares or Loan Notes (as applicable) held by each of them Any remaining Shares will have no value on a Sale or Listing and shall be transferred at nil value
- 10 3 On each occasion on which any contingent and/or unquantified consideration disregarded for the purposes of allocating the proceeds of Sale to members under Article 10 1 shall in fact be received, the provisions of Article 10 1 shall be reapplied treating that late receipt as a non-contingent deferred consideration In order to determine the allocation of the same, the calculations used in allocating the consideration already received shall be reworked provided always that no consideration already allocated to members shall be reallocated and this provision shall serve only to allocate the additional consideration later received
- 10 4 Immediately prior to and conditionally upon a Listing, the members shall enter into such reorganisation of the share capital of the Company as they may agree or, in default of agreement, as Bestport may specify (acting reasonably) in writing to ensure that the Realisation Value is distributed between the members in the same proportions as the preceding provisions of this Article 10 would provide on a Sale at that Realisation Value The provisions of Article 10 1 shall not apply on or after a Listing except in relation to any unlisted shares and then only to the extent such provisions remain unsatisfied in respect of such shares
- 10 5 Any distribution of the Realisation Value arising on a sale of assets only shall be made as if such value arose on a sale in accordance with this Article 10 and shall satisfy to the extent of such distribution the rights of shareholders arising under this Article 10

11. VARIATION OF RIGHTS

- 11 1 Whenever the share capital of the Company is divided into different classes of share, 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) either (i) with the consent in writing of the holders of more than three-fourths of the issued shares of that class, or (ii) with the sanction of an extraordinary resolution passed at a separate general meeting of the holders of that class (which if given in the case of the holders of the A Ordinary Shares will be provided in writing on their behalf by Bestport) To every such separate general meeting all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply
- 11 2 The rights conferred upon the holders of the A Ordinary Shares shall be deemed to be varied by the following
- 11 2 1 any variation in the authorised or issued share capital of the Company or any Group Company or the creation or the granting of any options or other rights to subscribe for, or convert into, shares of the Company or any Group Company or the variation of the rights attaching to such shares,
 - 11 2 2 the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or of any uncalled liability in respect of partly paid shares or the purchase by the Company of any of its own shares,
 - 11 2 3 the amendment of any provisions of the memorandum of association or articles of association of the Company or any Group Company,
 - 11 2 4 the redemption of any loan stock of the Company other than on a redemption in accordance with the terms of the Loan Notes or the prepayment of any debt,
 - 11 2 5 the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company,

- 11 2 6 the taking of any steps to wind up the Company or any other Group Company,
- 11 2 7 any disposal of the whole or substantially the whole of the business of the Company or any Group Company or any of the shares in any Group Company,
- 11 2 8 the declaration, making or payment of any dividend or other distribution to the holders of the Shares other than as expressly permitted under the Articles,
- 11 2 9 any change in the accounting reference date of the Company,
- 11 2 10 the appointment or removal of auditors or any professional advisors to the Company (other than reappointment of an existing auditor),
- 11 2 11 the appointment or removal of any director of the Company,
- 11 2 12 the redemption of any of its Shares other than in accordance with these Articles

12. ALLOTMENT OF SHARES

The directors shall not without the authority of the Company in general meeting and any consent required under Article 11 2 1 allot any shares in the capital of the Company

13. TRANSFER OF SHARES

General

- 13 1 No transfer of any share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has, if so required by the terms of the Investment Agreement, first entered into a deed of adherence pursuant to the Investment Agreement Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles
- 13 2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer by a holder of shares in the Company

- 13 2 1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself, and
- 13 2 2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by an instrument in writing
- 13 3 Other than in connection with a Sale, the Deferred Shares shall not be transferred without the prior written consent of Bestport
- 13 4 At the request of Bestport, the holders of the Deferred Shares shall transfer such shares for £1 00 to any person nominated by Bestport

14. PERMITTED TRANSFERS

Notwithstanding the provisions of any other Article, the transfers set out in this Article 14 shall be permitted without restriction and the provisions of Articles 15 (Voluntary Transfers) and 16 (Change of Control) shall have no application

14 1 Permitted transfers by Investors

- 14 1 1 Any Investor who is a body corporate shall be entitled to transfer all or any of its Shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a **"Related Company"**) but if a Related Company whilst it is a holder of Shares in the Company shall cease to be a Related Company in relation to the body first holding the relevant Shares it shall, within 15 Business Days of so ceasing, transfer the Shares held by it to such body or any Related Company of such body and failing such transfer the holder shall be deemed to have given a Transfer Notice pursuant to Articles 15 and 17
- 14 1 2 Any Investor may with the prior written consent of Bestport transfer all or any of its Shares to any person, body, firm or partnership whose business comprises to a material extent the holding for investment purposes of securities in and/or the provision of debt and other financial facilities to United Kingdom unlisted companies and includes any subsidiary, nominee,

custodian or manager used by such person, firm or partnership to hold such investments or to make available such facilities

14 1 3 Any Share held by or on behalf of an Investor that is an investment trust company whose shares are listed on a recognised investment exchange may be transferred to another such investment trust company ("**Transferee**")

14 1 3 1 whose shares are so listed,

14 1 3 2 which is managed by the same management company as the transferor or by a holding company of such management company or any subsidiary company of such holding company

14 1 4 An Investor may transfer Shares to any other member of its Investor Group

14 1 5 Any Investor which is a limited partnership may transfer Shares to any partner in such limited partnership acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership)

14 1 6 Any Shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of section 235 of FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question

14 1 7 Any Shares which are held by an Investor to a Syndicatee

14 1 8 Any Shares which are held by Mr Robert Adair and/or on behalf of the Robert Adair Family Investment Plan (or which were formerly so held) to any person who has been approved in writing by Bestport

14 2 **Permitted Transfers by non-Investors**

14 2 1 Subject to Articles 14 2 1 to 14 2 6 inclusive, any holder who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board and Bestport to be

14 2 1 1 a Family Member of his, or

14 2 1 2 trustees to be held under a Family Trust in relation to that individual

14 2 2 Subject to Article 14 2 4, no Shares shall be transferred under Article 14 2 1 by an individual who previously acquired those Shares by way of transfer under Article 14 2 1 save to another individual who is a Family Member of the original holder of such Shares or to trustees to be held under a Family Trust in relation to the original holder of such Shares

14 2 3 No transfer of Shares shall be made by a holder under Article 14 2 1

14 2 3 1 unless in the case of a transfer under Article 14 2 1 2, Bestport has confirmed in writing its satisfaction

- (a) with the terms of the instrument constituting the relevant family trust and in particular with the powers of the trustees,
- (b) with the identity of the trustees and the procedures for the appointment and removal of trustees,
- (c) with the restrictions on changes in the terms of the trust instrument and on the distributions by the trustees, and
- (d) that none of the costs incurred in establishing or maintaining the relevant family trust will be payable by any member of the Group, and

14 2 3 2 if the proposed transfer will result in 50% or more of the Shares originally held by the member being held by that holder's Family Trust and Family Members

14 2 4 Where Shares are held by trustees under a Family Trust

14 2 4 1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved in writing by Bestport,

14 2 4 2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could

have transferred them under Article 14 2 1 if he had remained the holder of them, and

14 2 4 3 if any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under Articles 14 2 4 1 or 14 2 4 2), the trustees shall be deemed to have given a Transfer Notice in respect of all the Shares then held by those trustees pursuant to Article 17

14 2 5 If

14 2 5 1 any person has acquired Shares as a Family Member of a holder by way of one or more transfers permitted under this Article 14 2, and

14 2 5 2 that person ceases to be a Family Member of that holder,

that person shall forthwith transfer all the Shares then held by that person back to that holder, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall be deemed to have given a Transfer Notice in respect of all the Shares then held by that person pursuant to Article 17

14 2 6 Subject to the provisions of Article 17, if the personal representatives of a deceased holder are permitted under these Articles to become registered as the holders of any of the deceased holder's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives under Article 14 2 to any person to whom the deceased holder could have transferred such Shares under this Article if he had remained the holder of them. No other transfer of such Shares by personal representatives shall be permitted under this Article 14

14 3 Permitted Transfers by all Shareholders

14 3 1 Subject to Article 11 2 2 any holder may at any time transfer any Shares in accordance with the provisions of the Companies Act to the Company

14 3 2 Any holder may at any time transfer all or any of his Shares to any other person with the prior written consent of Bestport

14 3 3 Any Shares may be transferred pursuant to Article 16 1 and 16 5 (Drag Along)

15. VOLUNTARY TRANSFERS

15 1 Except as permitted under Article 14 any holder who wishes to transfer Shares (the "**Vendor**") shall give notice in writing ("**Transfer Notice**") to the Company of his wish specifying

15 1 1 the number and class of Shares ("**Sale Shares**") which he wishes to transfer,

15 1 2 the name of any third party to whom he proposes to sell or transfer the Sale Shares,

15 1 3 the price at which he wishes to transfer the Sale Shares ("**Provisional Transfer Price**"), and

15 1 4 whether or not the Transfer Notice is conditional upon all, and not part only, of the Sale Shares so specified being sold pursuant to the offer hereinafter mentioned (a "**Total Transfer Condition**") and, in the absence of such stipulation, it shall be deemed not to be so conditional

15 2 Where any Transfer Notice is deemed to have been given in accordance with these Articles, the deemed Transfer Notice shall be treated as having specified

15 2 1 that all the Shares registered in the name of the Vendor shall be included for transfer,

15 2 2 that a Total Transfer Condition shall not apply

15 3 No Transfer Notice once given or deemed to be given in accordance with these Articles shall be withdrawn unless the Vendor is obliged to procure the making of an offer under Articles 16 1 to 16 4 and is unable to procure the making of such an offer In that event the Vendor shall be entitled to withdraw such Transfer Notice without liability to any person, prior to completion of any transfer

15 4 The Transfer Notice shall constitute the Company the agent of the Vendor for the sale of the Sale Shares at the Transfer Price

15 5

15 5 1 The Company shall forthwith upon receipt of a Transfer Notice or, where later, upon the determination of the Transfer Price give notice in writing to each of the holders of Shares (other than the Vendor) informing them that the Sale Shares are available and of the Transfer Price. Such notice shall invite each holder to state, in writing within 20 Business Days from the date of such notice (which date shall be specified therein), whether he is willing to purchase any and, if so, how many of the Sale Shares which shall, if he so wishes, include an amount in excess of his Proportionate Entitlement as mentioned in Article 15 5 2. For the purposes of allocation of the Sale Shares the Sale Shares shall be treated as offered in the first instance to any actual or prospective new employees of the Company or Group as shall be directed in writing by Bestport and thereafter to the Warehouse in priority to all other shareholders and, in so far as such offer shall not be accepted by the Warehouse, shall be treated as having been offered to all members holding the same class of Shares as the Sale Shares.

15 5 2 Subject always to the order of priorities set out in Article 15 5 1 the Sale Shares shall be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares of that class to which the offer is made ("**Proportionate Entitlement**") It shall be open to each such holder to specify if he is willing to purchase Shares in excess of his Proportionate Entitlement ("**Excess Shares**") and, if the holder does so specify, he shall state the number of Excess Shares. If at the end of this process any Sale Shares remain available they shall be offered to all the holders of any other class of Share on the basis of Article 15 5 1 and this Article 15 5 2.

15 5 3 Within three Business Days of the expiry of the invitation(s) made pursuant to Article 15 5 1 (or sooner if all holders of Shares have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in Article 15 5 1), the Board shall allocate the Sale Shares in the following manner:

15 5 3 1 if the total number of Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications, or

15 5 3 2 if the total number of Shares applied for is more than the available number of Sale Shares, each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in Article 15 5 1, applications for Excess Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Shares PROVIDED THAT such holder shall not be allocated more Excess Shares than he shall have stated himself willing to take,

and in either case the Company shall forthwith give notice of each such allocation (an "**Allocation Notice**") to the Vendor and each of the persons to whom Sale Shares have been allocated (a "**Member Applicant**") and shall specify in the Allocation Notice the place and time (being not later than ten Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed

15 6 Subject to Article 15 7, upon such allocations being made as set out in Article 15 5, the Vendor shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance If he makes default in so doing, one of the Directors, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Vendor with full power to execute, complete and deliver in the name and on behalf of the Vendor a transfer of the relevant Sale Shares to the Member Applicant and any Director may receive and give a good discharge for the purchase money on behalf of the Vendor and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Shares so purchased by him or them The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Vendor until he shall deliver up 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) to the Company when he shall thereupon be paid the purchase money

15 7 If the Vendor shall have included in the Transfer Notice a Total Transfer Condition and if the total number of Shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation, open for ten Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this Article 15 shall be conditional upon the total Transfer Condition being complied with in full

15 8 In the event of all the Sale Shares not being sold under the preceding paragraphs of this Article 15 the Vendor may, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all the Sale Shares (if a Total Transfer Condition was included in the Transfer Notice) or any Sale Shares which have not been sold (if no Total Transfer Condition was so included in the Transfer Notice) to any person or persons at any price not less than the Transfer Price PROVIDED THAT

15 8 1 the Board shall refuse registration of the proposed Transferee unless the transfer has been approved in writing by Bestport,

15 8 2 the Transfer Notice contained a Total Transfer Condition, the Vendor shall not be entitled, save with the written consent of all the other shareholders of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons,

15 8 3 any such sale shall be a bona fide sale and the Board may require to be satisfied in such manner as it may reasonably require that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the purchaser and, if not so satisfied, may refuse to register the instrument of transfer, and

15 8 4 the Board shall refuse registration of the proposed Transferee if such transfer obliges the Vendor to procure the making of an offer in accordance with Articles 16 1 to 16 4, until such time as such offer has been made and, if accepted, completed

16. CHANGE OF CONTROL

Tag along

16 1 Subject to Article 16 2 if the effect of any transfer of Shares by a vendor would, if completed, result in the Transferee together with persons acting in concert or connected with that Transferee obtaining a Controlling Interest, the vendor shall procure the making, by the proposed Transferee of the vendor's Shares, of a Come Along Offer to all of the other holders of Shares of the Company. Every holder or recipient of such offer, on receipt of a Come Along Offer, shall be bound within 20 Business Days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Come Along Offer has been made and completed the Board shall not sanction the making and registration of the relevant transfer or transfers.

16 2 The provisions of Article 16 1 and 16 5 shall not apply to any transfer of Shares

16 2 1 pursuant to Article 14 (other than Article 14 3 2 or 14 3 3),

16 2 2 to any person who was an original party to the Investment Agreement

16 3 "**Come Along Offer**" means an unconditional offer, open for acceptance for not less than 20 Business Days, to purchase Shares held by the recipients of a Come Along Offer or Shares which recipients may subscribe free from all liens, charges and encumbrances at a price per share equal to the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid by any transferee referred to in Article 16 1 (or any person with whom such transferee is connected with or with whom such transferee is acting in concert) for Shares (inclusive of the Shares giving rise to the obligation to make the Come Along Offer) within the period of one year prior to and on the proposed date of completion of such transfer of Shares.

16 4 In the event of disagreement, the calculation of the relevant Come Along Offer price shall be referred to the Auditors and Article 31 shall apply.

Drag Along

- 16 5 If holders of the A Ordinary Shares (in Articles 16 5 and 16 6, "**Vendors**") wish to transfer all of their Shares in the Company ("**Offer**") to any person ("**Purchaser**"), then the Vendors shall also have the option to require all of the other holders of Shares, and any persons who become holders of Shares upon exercise of any options, warrants or other rights to subscribe for Shares which exist at the date of the Offer, to transfer all their Shares in the Company to the Purchaser, or as the Purchaser directs, by giving notice ("**Drag Along Notice**") to that effect to all such other holders ("**Called Shareholders**") specifying that the Called Shareholders are, or will, in accordance with this Articles 16 5 and 16 6, be required to transfer their Shares pursuant to Articles 16 5 and 16 6 free from all liens, charges and encumbrances and the price ("**Proposed Price**") at which such Shares are proposed to be transferred For these purposes, the price offered for all shares in a particular class shall be the same
- 16 6 If the Called Shareholders (or any of them) shall make default in transferring their Shares pursuant to Articles 16 5 and 16 6, the provisions of Article 15 6 (references therein to the Vendor, Sale Shares, Allocation Notice and Member Applicant being read as references to the holder making such default, the Shares in respect of which such default is made, the Drag Along Notice and the Purchaser respectively) shall apply to the transfer of such Shares *mutatis mutandis* but the Transfer Price shall be the price offered for such Shares as set out in this Article 16 5 and the provisions of Article 15 7 shall not apply

17. **COMPULSORY TRANSFERS**

17 1 In this Article 17, a "**Transfer Event**" means, in relation to any member

17 1 1 a member who is an individual

17 1 1 1 becoming bankrupt, or

17 1 1 2 dying,

and Bestport notifying the Company in writing within three months of the matters coming to its attention that such event is a Transfer Event in relation to that member for the purposes of this article,

17 1 2 a member making any arrangement or composition with his creditors generally and Bestport notifying the Company in writing within three months

of the matter coming to its attention that such event is a Transfer Event in relation to that member for the purposes of this article,

17.1.3 a member which is a body corporate

17.1.3.1 having a receiver, manager or administrative receiver appointed over all or any part of its undertaking or assets, or

17.1.3.2 having an administrator appointed in relation to it, or

17.1.3.3 entering into liquidation (other than a voluntary liquidation for the purpose of a bona fide scheme of solvent amalgamation or reconstruction), or

17.1.3.4 having any equivalent action taken in any jurisdiction,

and Bestport notifying the Company in writing within three months of the matter coming to its attention that such event is a Transfer Event in relation to that member for the purpose of this article,

17.1.4 a member who is an individual and who is or was previously a director or employee and or consultant of a member of the Group ceasing to hold such office or employment or consultancy and as a consequence no longer being a director or employee and/or consultant of any member of the Group and Bestport notifying the Company in writing within three months of the matter coming to its attention that such event is a Transfer Event in relation to that member for the purposes of this article,

17.1.5 a member attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles and Bestport notifying the Company in writing within three months of the matter coming to its attention that such event is a Transfer Event in relation to that member, and

17.1.6 a member failing to make a transfer of Shares required by Articles 14.1.1 or 14.2.5 and Bestport notifying the Company in writing within three months of the matter coming to its attention that such event is a Transfer Event in relation to that member for the purposes of this article

- 17 2 Upon the happening of any Transfer Event, the member in question and any other member who has acquired Shares (excluding any L Ordinary Shares, P Ordinary Shares and Preferred Dividend Ordinary Shares) from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under Articles 14 1, 14 2, 14 3 1 and 14 3 3 shall be deemed to have immediately given a Transfer Notice in respect of all the Shares (excluding any L Ordinary Shares, P Ordinary Shares, Preferred Dividend Ordinary Shares and Deferred Shares) then held by them and which in the case of a transferee of Shares were the Shares received directly or indirectly from the member who is the immediate subject of the Transfer Event ("**Deemed Transfer Notice**") A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same Shares (excluding any L Ordinary Shares, P Ordinary Shares, Preferred Dividend Ordinary Shares) except for Shares (excluding any L Ordinary Shares, P Ordinary Shares and Preferred Dividend Ordinary Shares) which have then been validly transferred pursuant to that Transfer Notice
- 17 3 The Shares (excluding any L Ordinary Shares, P Ordinary Shares, Preferred Dividend Ordinary Shares and Deferred Shares) the subject of any Deemed Transfer Notice shall be offered for sale in accordance with Article 15 as if they were Sale Shares in respect of which a Transfer Notice had been given save that
- 17 3 1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later (and Bestport agrees in writing), the date of notification to the Company by Bestport that the relevant event is a Transfer Event,
- 17 3 2 subject to Article 17 4, the Sale Price shall be a price per Sale Share agreed (by class) between the Vendor, the Board and Bestport in writing or, in default of agreement, within 15 Business Days after the date of the Transfer Event, the Fair Value,
- 17 3 3 a Deemed Transfer Notice shall be deemed not to contain a Total Transfer Condition and shall be irrevocable,
- 17 3 4 the Vendor may retain any Sale Shares for which Purchasers are not found or, after the expiry of the relevant Offer Notice and with the prior written approval of Bestport, sell all or any of those Sale Shares to any person

(including any member) at any price per Sale Share which is not less than the Sale Price (per class), and

17 3 5 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event

17 4

17 4 1 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event falling within Article 17 1 4 shall

17 4 1 1 in the case of an Incapacitated Leaver (as defined in Article 17 5) be their Fair Value (as defined in Article 17 7), and

17 4 1 2 in the case of a Non-Incapacitated Leaver (as defined in Article 17 5), be their Fair Value or, if less, their Issue Price

17 5 In Article 17 4

17 5 1 **"Incapacitated Leaver"** refers to a person who ceases to be a director or employee of any member of the Group and as a consequence is no longer a director or employee of any member of the Group and such cessation occurs

17 5 1 1 as a result of death or Serious Ill Health (as defined in Article 17 8),

17 5 1 2 as a result of retirement at the age of 65 years, or

17 5 1 3 where Bestport confirms in writing that such person is treated as an Incapacitated Leaver in circumstances where that person would not but for this provision be an Incapacitated Leaver

17 5 2 **"Non-Incapacitated Leaver"** refers to any person who ceases to be a director or employee of any member of the Group and as a consequence is no longer a director or employee of any member of the Group and who is not an Incapacitated Leaver

17 6 For the purpose of Article 17 1 4 the date upon which a member ceases to hold office or employment as described therein shall be

- 17 6 1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination),
- 17 6 2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice,
- 17 6 3 save as provided in Article 17 6 1 where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance,
- 17 6 4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event, and
- 17 6 5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in Articles 17 6 1 to 17 6 4 above, the date on which the action or event giving rise to the termination occurs
- 17 7 **"Fair Value"** for the purposes of these Articles means as agreed between the Board (with the written approval of Bestport) and the Vendor or, in the absence of agreement within 15 Business Days of the Transfer Event, by the Auditors in accordance with Article 18
- 17 8 **"Serious Ill Health"** for the purpose of these Articles means an illness or disability certified by a general medical practitioner (nominated or approved in writing by Bestport) as rendering the departing employee permanently incapable of carrying out his role as an employee for the foreseeable future

18. VALUATION OF SHARES

- 18 1 In the event that the Auditors are required to determine the price at which Shares (excluding any L Ordinary Shares, P Ordinary Shares, Preferred Dividend Ordinary Shares, and Deferred Shares) are to be transferred pursuant to these Articles, such price shall be the amount the Auditors shall, on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this Article 18 is required), give their opinion in

writing as to the price which represents a fair value for such Shares (excluding any L Ordinary Shares, P Ordinary Shares, Preferred Dividend Ordinary Shares, and Deferred Shares) as between a willing vendor and a willing purchaser as at the date the Transfer Notice or deemed Transfer Notice is given. In making such determination, the Auditors shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company nor the fact that transferability is restricted by these Articles (and shall assume that the entire issued share capital of the Company is being sold) and comprises only of Ordinary Shares. If the Auditors are unable or unwilling to make the determination, the Company shall make arrangements for it to be made by a suitably qualified independent firm of accountants appointed by agreement between the Board (with the prior written approval of Bestport) and the Vendor or, in the absence of agreement within twenty (20) Business Days of the Transfer Event, by the President of the Institute of Chartered Accountants of England and Wales for the time being, on application by either the Vendor or any Director.

18.2 Article 31 shall apply to any determination by the Auditors under this Article.

19. COMPLIANCE

19.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these Articles or that (ii) no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under Article 16.1, the Board may require any member or the legal personal representatives of any deceased member or any person named as Transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such 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.

19.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under Article 16.1, or that as a result of such information and evidence the

Board is reasonably satisfied that such Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under Article 16

19 2 1 where the purpose of the enquiry by the Board was to establish whether a Transfer Notice is required to be or ought to have been given, then a Transfer Notice shall be deemed to have been given by the holder of the relevant Shares in respect of such Shares, or

19 2 2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under Article 16 1, then the Shares held by or on behalf of the person or persons connected with each other or acting in concert with each other who has or have (as the case may be) obtained a Controlling Interest as is referred to in Article 16 1, such Shares shall cease to entitle the relevant holder or holders (or any proxy) to voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares or to any further shares issued in right of such Shares or in pursuance of an offer made to the relevant holders to the extent that will result in such person or persons only being able to control that percentage of the voting rights attaching to the Ordinary Shares that such person or persons were in a position to control prior to the obligation to procure the making of an offer arising

20. GENERAL

General Meetings

20 1 No business shall be transacted at any general meeting unless a quorum of holders is present at the time when the meeting proceeds to business and for its duration Two persons, being holders of Equity Shares (at least one of whom must be a holder of A Ordinary Shares) present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting Article 41 of the Model Articles shall be amended by the addition of the following as a new paragraph 41(7) in that article "If within half an hour of the time appointed for the holding of an adjourned meeting a quorum is not present, the holders present (either in person, proxy or by a duly appointed corporate representative shall constitute a quorum"

20 2 A poll may be demanded at a general meeting either by the chairman of the meeting or by any holder who is present in person, by proxy or by duly authorised representative (if a corporation) and who, in any such case, has the right to vote at the meeting, and Article 44(2) of the Model Articles shall not apply to the Company

20 3 Article 45(1) of the Model Articles shall be amended as follows

20 3 1 by the deletion of the words in Article 45(1)(d) and the insertion in their place of the following "is delivered to the Company in accordance with the articles no less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate", and

20 3 2 by the insertion of the following as a new paragraph at the end of Article 45(1) "and a proxy notice which is not delivered in such manner shall be invalid unless the Directors, in their discretion accept the proxy notice at any time before the meeting "

21. REMOVAL OF DIRECTORS

Without prejudice to any provision of the Companies Act permitting the removal of directors, the office of any Director shall be vacated if

21 1 (in the case of an executive Director only) he shall, for whatever reason, cease to be employed by the Company or any subsidiary of the Company and he does not remain an employee of any other Group Company, or

21 2 (other than in the case of an Investor Director) all the other Directors request his resignation in writing

and the provisions of Article 18 of the Model Articles shall be extended accordingly

22. INVESTOR DIRECTOR(S) AND ADDITIONAL DIRECTOR

22 1 The members holding a majority of the A Ordinary Shares, may from time to time appoint up to two persons to be directors each having the title of investor director (the "Investor Director(s)" which expression shall, where the context so permits, include a duly appointed alternate of such directors) and from time to time remove any or

both of the Investor Director(s) from office Bestport shall be entitled to exercise this right for and on behalf of members holding a majority of the A Ordinary Shares

- 22 2 There shall not be more than two directors bearing the title of Investor Director in office at any time
- 22 3 Any appointment or removal of any or both of the Investor Director(s) shall be in writing served on the Company signed by Bestport on behalf of the members holding a majority of the A Ordinary Shares and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative
- 22 4 Notice of meetings of the Board shall be served on any of the Investor Director(s) who is absent from the United Kingdom at the addresses for service of notice on each Investor under the Investment Agreement
- 22 5 Upon written request by Bestport on behalf of the holders of a majority of the A Ordinary Shares the Company shall procure that an/the Investor Director(s), is/are forthwith appointed as (a) director(s) of any other member of the Group to any committee of the Board or the board of any member of the Group
- 22 6 Where any decision is to be made by any member of the Group in relation to the exercise, enforcement or waiver of its rights under the Acquisition Agreement (as defined in the Investment Agreement) or against any member holding Ordinary Shares or any director or person connected with any such member or director, any such decision shall be within the exclusive power of the Investor Director(s) if appointed but if none are appointed it shall be at the direction of Bestport (to the exclusion of the other directors but after consultation with a majority thereof) who shall have (without limitation) exclusive authority in relation to the conduct of any proceedings of whatever nature arising in connection with any such rights and no other director shall have power to settle or compromise any such claim
- 22 7 The member's holding a majority of the A Ordinary Shares may from time to time, in addition to the Investor Director(s), appoint any person to be an Additional Director and remove as a director a person so appointed Bestport shall be entitled to exercise this right for and on behalf of the members holding a majority of the A Ordinary Shares The fee payable to the Additional Director shall be at such rate agreed

between the Board and the Additional Director and, in the absence of agreement, shall be determined by Bestport

23. ALTERNATE DIRECTORS

23 1 Any Director (in this article 23, an **appointor**) may appoint as an alternate any other Director, or any other person approved by resolution of the Directors (save for the appointment by any Investor Director or the Additional Director of an alternate which shall not be subject to approval by a resolution of the Directors) to

23 1 1 exercise that Director's powers, and

23 1 2 carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor

23 2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors

23 3 The notice must

23 3 1 identify the proposed alternate, and

23 3 2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice

23 4 An alternate director may act as alternate director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor

23 5 Save as provided otherwise in these Articles, alternate directors

23 5 1 are deemed for all purposes to be Directors,

23 5 2 are liable for their own acts and omissions,

23 5 3 are subject to the same restrictions as their appointors, and

23 5 4 are not deemed to be agents of or for their appointors

and, in particular, each alternate director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member

23 6 A person who is an alternate director but not a Director

23 6 1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating),

23 6 2 may participate in a decision of the Directors (but only if his appointor is an Eligible Director in relation to that decision and does not himself participate), and

23 6 3 shall not be counted as more than one Director for the purposes of articles 23 6 1 and 23 6 2

23 7 A Director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the Directors (provided that his appointor is an Eligible Director in relation to that decision), but shall not count as more than one Director for the purposes of determining whether a quorum is present

23 8 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the remuneration of the alternate's appointor as the appointor may direct by notice in writing to the Company

23 9 The appointment of an alternate director terminates

23 9 1 when the alternate's appointor revokes the appointment by notice in writing to the Company specifying when it is to terminate,

23 9 2 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director,

23 9 3 on the death of the alternate's appointor,

23 9 4 when the appointment of the alternate's appointor as a Director terminates, or

23 9 5 when written notice from the alternate, resigning his office, is received by the Company

24. PROCEEDINGS OF DIRECTORS

- 24 1 The quorum for the transaction of the business of the Directors shall be at least two Directors provided that if an Investor Director shall have been appointed then at least one Director shall be an Investor Director (or his alternate) save for when the business of the Directors to be transacted is the approval of a conflict or potential conflict of interest of an Investor Director and the Company (in accordance with section 175(4) of the Companies Act) when the quorum for the transaction of that particular business only shall be at least two directors Article 11(2) of the Model Articles shall not apply to the Company
- 24 2 Any Director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other, and any Director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting A Chairman shall not have a second or casting vote Article 13 of the Model Articles shall not apply to the Company
- 24 3 Article 5 of the Model Articles shall be modified so that the Directors may only delegate any of their powers (or revoke or alter the terms and conditions of any such delegation) to a person or committee with the prior consent of Bestport Article 6(2) of the Model Articles shall be amended by the insertion of the following words before the word "may" "with the consent of Bestport"
- 24 4 Article 16 of the Model Articles shall be amended by the insertion of the following words after the word "may" "with the consent of Bestport"
- 24 5 Except with the prior written consent of the Investor Director(s) (or, in the event that there are no Investor Director(s), the prior written consent of Bestport), a Director shall not vote on any resolution concerning a matter in which he has, directly or indirectly, any kind of interest or duty whatsoever, save in respect of the matters specified in paragraphs (a) to (c) (inclusive) of Article 14 (3) of the Model Articles which shall be modified accordingly Reference in Article 14 (6) of the Model

Articles to the "chairman" shall be construed as a reference to the "Investor Director" for so long as one is appointed

- 24 6 For so long as there is subsisting any default by the Company under the terms of the Loan Note Instrument or the conditions attaching to the Loan Notes or the Loan Documents then (if Bestport on behalf of the holders of a majority of the A Ordinary Shares has given notice of default to the Company) the Investor Director(s) shall be deemed to have such number of votes at any meeting of the Board as shall be one more than all the other directors attending and voting at that meeting

25. SERVICE OF DOCUMENTS

- 25 1 Any notice, document or other information given in accordance with these Articles shall be deemed served on or delivered to the intended recipient

25 1 1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted,

25 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,

25 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

25 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website

For the purposes of this article 25 1, no account shall be taken of any part of a day that is not a working day

- 25 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Companies Act

- 25 3 A member whose registered address is not within the United Kingdom and who gives to the Company an address within the United Kingdom at which notices may be given to him shall be entitled to have notices given to him at that address, but otherwise no such member shall be entitled to receive any notice from the Company

26. THE SEAL

- 26 1 If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by a Director and by the secretary or a second Director. Article 49 of the Model Articles shall be modified accordingly and the obligation under Article 24 (5) (a) of the Model Articles relating to the sealing of share certificates shall apply only if the Company has a seal.
- 26 2 The Company may exercise the powers conferred by section 49 of the Companies Act with regard to having an official seal for use abroad, and such powers shall be vested in the Board.

27. INDEMNITY

- 27 1 Subject to article 27 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled
- 27 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the affairs of the Company (or any Group Company), and
- 27 1 2 the Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in article 27 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

27 2 This article 27 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law

27 3 In this article 27, a "**relevant officer**" means any director or other officer or former director or other officer of the Company or any Group Company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Companies Act) or Employee Trust, but excluding in each case any person engaged by the Company (or any Group Company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor)

27 4 Article 52 of the Model Articles shall not apply to the Company

27 5 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any loss or liability which has been or may be incurred by that relevant officer in connection with his duties or powers in relation to the Company, any Group Company or any pension fund or employees' share scheme of the Company or Group Company

27 6 Article 53 of the Model Articles shall not apply to the Company

28. BORROWING POWERS

Subject to the terms of the Investment Agreement, the Board may exercise all the powers of the Company to borrow money, and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Companies Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

29. DIRECTORS' POWERS TO AUTHORISE CONFLICT SITUATIONS

29 1 For the purposes of section 175 of Companies Act, the Directors shall have the power to authorise, on such terms (including as regards duration and revocation), and subject to such limits or conditions, if any, as they may determine, any matter proposed to them in accordance with these Articles which would or might, if not so authorised, constitute or give rise to a situation (a "**Relevant Situation**") in which a Director (an "**Interested Director**") has, or can have, a direct or indirect interest which conflicts, or possibly may conflict, with the interests of the Company (including, without limitation, in relation to the exploitation of any property,

information or opportunity, whether or not the Company could take advantage of it)
Any authorisation of a Relevant Situation pursuant to this Article 30 shall extend to any actual or possible conflict of interest which may reasonably be expected to arise out of the Relevant Situation so authorised

29 2 Where Directors give authority under Article 29 1 the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded)

29 3 Any such authorisation will be effective only if

29 3 1 at the meeting of the Directors at which the Relevant Situation is considered any requirement as to quorum is met without counting the Interested Director, and

29 3 2 the authorisation was agreed to without any Interested Director voting, or would have been agreed to if the votes of all Interested Directors had not been counted

29 4 Subject to Article 29 3 2, any proposal made to the Directors and any authorisation by the Directors in relation to a Relevant Situation shall be dealt with in the same way as that in which any other matter may be proposed to and resolved upon by the Directors

29 5 For the purposes of this Article 29, a conflict of interest includes a conflict of interest and duty and a conflict of duties

29 6 An Interested Director shall be obliged

29 6 1 to disclose to the other Directors the nature and extent of his interest in any Relevant Situation, such disclosure to be made as soon as reasonably practicable, and

29 6 2 to act in accordance with any terms, limits or conditions determined by the Directors under Article 29 1

29 7 Any authorisation of a Relevant Situation given by the Directors under Article 29 1 shall mean that

29 7 1 where the Interested Director obtains (other than through his position as a director of the Company) information that is confidential to a third party, he will not be obliged to disclose it to the Company or to use it in relation to the Company's affairs in circumstances where to do so would amount to a breach of that confidence,

29 7 2 where the Interested Director has a direct or indirect interest in a matter which conflicts, or may conflict, with the interests of the Company, he may absent himself from the discussion of such matter at any meeting of the Directors and be excused from reviewing papers prepared by or for the Directors to the extent that they relate to that matter, and

29 7 3 the Interested Director may exclude himself from the receipt of information, the participation in discussion and/or the making of decisions (whether at Directors' meetings or otherwise) related to the matter which the Interested Director has a direct or direct interest which conflicts, or may conflict, with the interests of the Company,

and anything done (or omitted to be done) by the Interested Director in accordance with any such provision (or otherwise in accordance with the terms of any authorisation given under Article 29 1) will not constitute a breach by him of his duties under sections 172 to 174 Companies Act

30. LIEN

30 1 The Company has a lien (the "**Company's lien**") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future

30 2 The Company's lien over a Share

30 2 1 takes priority over any third party's interest in that Share, and

30 2 2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share

30 3 The Directors may at any time with the consent of Bestport 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

30 4 Subject to the provisions of this article 30, if

30 4 1 a notice enforcing the Company's lien (a "**Lien Enforcement Notice**") has been given in respect of a Share, and

30 4 2 the person to whom the Lien Enforcement Notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors with the consent of Bestport decide

30 5 A Lien Enforcement Notice

30 5 1 may only be given 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,

30 5 2 must specify the Share concerned,

30 5 3 must require payment of the sum within 14 days of the notice,

30 5 4 must be addressed either to the holder of the Share or to a transmittee of that holder, and

30 5 5 must state the Company's intention to sell the Share if the notice is not complied with

30 6 Where Shares are sold under this article following service of a Lien Enforcement Notice

30 6 1 the Directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser, and

30 6 2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale

- 30 7 The net proceeds of the sale of any Share following service of a Lien Enforcement Notice (after payment of the costs of sale and any other costs of enforcing the Company's lien) must be applied
- 30 7 1 firstly, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice, and
- 30 7 2 secondly, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares 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 certificates, and subject to a lien equivalent to the Company's lien for any money payable (whether payable immediately or at some time in the future) as existed upon the Shares before the sale in respect of all Shares registered in the name of such person (whether as the sole registered holder or as one of several joint holders) after the date of the Lien Enforcement Notice
- 30 8 A statutory declaration by a Director that the declarant is a Director and that a Share has been sold to satisfy the Company's lien on a specified date
- 30 8 1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and
- 30 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
- 30 9 If a Share is subject to the Company's lien and the Directors are entitled to issue a Lien Enforcement Notice in respect of it, then the Directors 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 Any money deducted pursuant to this article 30 9 must be used to pay any of the sums payable in respect of that Share The Company must notify the distribution recipient in writing of
- 30 9 1 the fact and amount of any such deduction,
- 30 9 2 any non-payment of a dividend or other sum payable in respect of a Share resulting from such deductions, and

30 9 3 how the money deducted has been applied

31. AUDITORS DETERMINATION

- 31 1 If any matter under these Articles is referred to the Auditors for determination then the Auditors shall act as experts and not as arbitrators and their decision shall be conclusive and binding on the Company and all the holders of Shares (in the absence of fraud or manifest error)
- 31 2 the costs of Auditors shall be borne by the company unless the Auditors shall otherwise determine