

Company number: 06364030

The Companies Act 2006

Company limited by shares

Written resolutions

of

Eagle Land Limited

(Circulation Date 17 December 2007)

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006, the Directors of the Company propose that the following resolutions be passed, as to the resolutions numbered 2 and 3 as ordinary resolutions and as to the resolutions numbered 1 and 4 as special resolutions

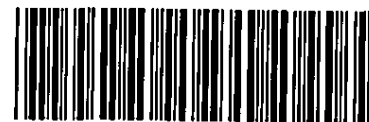
Special resolution

- 1 That the regulations in the printed document attached to these resolutions ("**the New Articles**") be hereby adopted as the articles of association of the Company in substitution for and to the exclusion of all existing articles of association of the Company

Ordinary resolution

- 2 That, subject to the passing of resolution 1 above, 9 of the unissued ordinary shares of £0.10 in the capital of the Company ("**Ordinary Shares**") be hereby re-designated
 - (a) as to 3 of such Ordinary Shares as 3 F1 shares of £0.10 each ("**F1 Shares**"), having the rights set out in the New Articles;
 - (b) as to 3 of such Ordinary Shares as 3 F2 shares of £0.10 each ("**F2 Shares**"), having the rights set out in the New Articles, and
 - (c) as to 3 of such Ordinary Shares as 3 F3 shares of £0.10 each ("**F3 Shares**"), having the rights set out in the New Articles

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Ordinary resolution

- 3 That the Directors of the Company be hereby generally and unconditionally authorised pursuant to Section 80 of the Companies Act 1985 to allot, in each case for cash at par:
- (a) 204 Ordinary Shares to Mark Russell Kay,
 - (b) one F1 Share, one F2 Share and one F3 Share to Simon Jeremy Tothill,
 - (c) one F1 Share, one F2 Share and one F3 Share to Jonathan Michael Symons, and
 - (d) one F1 Share, one F2 Share and one F3 Share to Paul Raymond Withers,

for the period until 31 January 2008 ("the Allotment Period")

Special resolution

- 4 That the Directors of the Company be hereby empowered to make the allotments referred to in resolution 3 above during the Allotment Period pursuant to the authority granted by resolution 3 as if Section 89(1) of the Companies Act 1985 did not apply to any of such allotments

Agreement

Please read the notes at the end of this document before signifying your agreement to the Ordinary Resolutions and Special Resolutions

The undersigned, being the persons entitled to vote on the above resolutions on 12 December 2007, hereby irrevocably agree to the passing of the resolutions numbered 1, 2, 3 and 4 above as to resolutions 2 and 3 as Ordinary Resolutions and as to resolutions 1 and 4 as Special Resolutions

Signed by Simon Jeremy Tothill

Signed by Jonathan Michael Symons

Signed by Paul Raymond Withers

.....
.....
.....

Date

... 17/12/2007 ...

Notes

- 1 If you agree to all of the resolutions, please indicate your agreement by signing and dating this document where indicated above and returning it to the Company by hand to Paul Withers

 If you do not agree to all of 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 Unless, by 31 December 2007, sufficient agreement has been received for the resolutions to pass, they will lapse. If you agree to the resolutions, please ensure that your agreement reaches us before this date

Articles of association

Eagle Land Limited

Company number 06364030

Date of incorporation: 7 September 2007

Adopted by special resolution passed on 17 December 2007

Eagle Land Limited articles v11

Roxburgh Milkins LLP **Corporate law**

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No: 06364030

The Companies Act 1985

Private company limited by shares

Articles of Association

of

Eagle Land Limited

(as adopted by special resolution passed on 17 December 2007)

1. Preliminary

1.1 Except as otherwise provided in these Articles, the regulations contained or incorporated in Table A shall apply to the Company

1.2 These Articles and the regulations incorporated in them shall take effect subject to the requirements of the Act and of every other statute for the time being in force affecting the Company

1.3 In these Articles, unless the context otherwise requires, the following words and expressions shall have the following meanings

"1985 Act" the Companies Act 1985 including any statutory modification or re-enactment of it for the time being in force,

"Acting in Concert" shall bear the meaning attributed to that expression in the Code,

"Base Value" the Market Value of the Company as at the date on which the F Shares are first issued by the Company,

"Board" the board of Directors of the Company,

"Business" the business of property development within an area agreed upon by the Board from time to time to be served by a main office for the Company based in Bristol, England and/or such other business or businesses as may be agreed upon by a Requisite Majority,

**"Capitalisation
Event"**

the occurrence of any of the following

- (a) obtaining a Listing, or
- (b) the completion of a Share Sale, or
- (c) the completion of a Liquidation,

**"Capitalisation
Value"**

- (a) in the case of a Listing, the aggregate market price of all the Equity Share Capital for which a Listing is obtained (excluding any new shares to be issued by the Company for cash as part of the arrangements relating to the Listing other than any new shares to be paid up by way of capitalisation of reserves to existing shareholders or any new shares arising from any sub-division of or conversion of Shares held by existing shareholders or otherwise issued as part of any pre-Listing reorganisation of the Company's share capital) ("**Offer Shares**"), which shall be determined by reference to the final price per share at which the Offer Shares are offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, after taking account, as necessary, the aggregate costs of the Listing,

- (b) in the case of a Share Sale

- (i) the aggregate cash consideration payable by the relevant purchasers for the Equity Share Capital on completion of the Share Sale, plus
- (ii) to the extent that consideration shall be so payable otherwise than in cash or shall be so payable on deferred terms, the cash equivalent of that consideration at completion of the Share Sale, less

and if some part of the Equity Share Capital is held by the relevant purchaser prior to the Share Sale so that the offer does not extend to all of the Equity Share Capital, the value of the consideration as

determined in accordance with this paragraph (b) shall be grossed up for the purposes of calculating the Capitalisation Value of 100 per cent of the Equity Share Capital,

- (c) in the case of Liquidation, the aggregate amount, including the cash equivalent of any non-cash consideration which the holders of the Equity Share Capital receive on completion of the Liquidation, after taking account, as necessary, the aggregate costs of the Liquidation,

"the Code"	The City Code on Takeovers and Mergers,
"Controlling Interest"	an interest (within the meaning of Schedule 13, Part 1 and section 324 of the 1985 Act) in shares conferring in aggregate 50% or more of the total voting rights conferred by all the shares in the equity share capital of the Company for the time being in issue,
"Director"	a Director for the time being of the Company;
"Eighth Anniversary"	the eighth anniversary of the date of adoption of these Articles,
"Equity Share Capital"	all of the issued Ordinary Shares and F Shares,
"Excess Value"	the Capitalisation Value less the Base Value,
"Fair Price"	such price per share as may be agreed between the Board and a proposing transferor for the purposes of Article 72, or, in the absence of agreement within a period of 28 days of the service on the Board of a Transfer Notice by the proposing transferor, the price which an independent firm of accountants nominated by agreement between the proposing transferor and the Company, or in default of agreement between them as to such firm of accountants within such 28 day period, such independent firm of accountants as may be nominated by the President for the time being of the Institute of Chartered Accountants in England and Wales, upon the application to him of either party, states in writing to be, in its opinion, the fair value of each share concerned, as at the date of service or

deemed service of the Transfer Notice in relation to the shares concerned, on a sale as between a willing seller and a willing purchaser. In determining such fair value such accountants shall be instructed in particular

- (a) not to take into account whether or not the shares represent a minority interest,
- (b) not to take into account whether the shares do or do not carry control of the Company;
- (c) if the Company is then carrying on business as a going concern, to assume that it will continue to do so,

and in stating the Fair Price the accountants (whose charges shall be borne by the Company) shall be considered to be acting as experts and not as arbitrators and their decision shall be final and binding on the parties,

"F Shares"	F1, F2 and F3 Shares, as if, where such reference is used, all such shares constituted one class of share,
"F1 Shares"	F1 ordinary shares of £0.10 each in the capital of the Company,
"F2 Shares"	F2 ordinary shares of £0.10 each in the capital of the Company,
"F3 Shares"	F3 ordinary shares of £0 10 each in the capital of the Company,
"Investor Director"	any director appointed from time to time by the holder(s) of a Controlling Interest,
"Leaver"	a person who is not the holder of a Controlling Interest and who ceases to be employed by the Company or any of its subsidiaries for whatever reason (including death or a subsidiary of the Company ceasing to be a subsidiary of the Company),
"Leaver's Shares"	<p>in relation to a Leaver, any shares which</p> <ul style="list-style-type: none">(a) are held by the Leaver at the time he becomes a Leaver,

- (b) were originally transferred or issued to that Leaver prior to his becoming a Leaver but which were subsequently transferred to another person (other than shares transferred to another person pursuant to Article 7) by such Leaver, or
- (c) were not held by the Leaver at the time he became a Leaver but which were subsequently acquired by him or by some other person pursuant to the exercise of rights to acquire such shares,

"Liquidation"	a liquidation or winding up of the Company (except for the purposes of a solvent reorganisation, reconstruction or amalgamation where no cash or cash equivalent is distributed to Shareholders)
"Listing"	the admission of any of the Company's Equity Shares to trading on the London Stock Exchange plc, the Alternative Investment Market or any Recognised Investment Market (as such term is defined in Section 285 of the Financial Services and Markets Act 2000) becoming effective and "List" and "Listing" shall be construed accordingly,
"Notional Profit"	such proportion of the projected profits of the Company to be derived from projects of the Company current as at 30 September 2010, assessed on a development appraisal basis, project by project, as can be properly be regarded as attributable to the activities of the Company, in the ordinary course of the Business, during the period prior to 30 September 2010,
"Ordinary Shareholder"	a holder for the time being of Ordinary Shares, acting in his capacity as a holder of Ordinary Shares and not in his capacity as a holder of any other class of shares,
"Ordinary Shares"	the ordinary shares of £0 10 each in the capital of the Company,
"Qualifying Shares"	in respect of any Shareholder, such of the following shares as are held by him <ul style="list-style-type: none"> (a) Ordinary Shares,

- (b) F1 Shares after the Third Anniversary where the Year 3 Hurdle has been achieved;
- (c) F2 Shares after the Eighth Anniversary where the Year 3 Hurdle and the Year 8 Hurdle have both been achieved, and
- (d) F3 Shares after the Eighth Anniversary where the Year 8 Hurdle has been achieved but the Year 3 Hurdle has not been achieved;

"Qualifying Shareholder"

a holder of Qualifying Shares,

"Requisite Majority"

a simple majority in number of the Shareholders together holding between them a Controlling Interest;

"Share Sale"

the sale of (or grant of a right to acquire or to dispose of) any of the issued share capital of the Company (in one transaction or a series of transactions) which will result in any purchaser of such shares (or grantee of such right) and persons Acting in Concert with him together acquiring a Controlling Interest in the Company. Persons who are holders of Equity Share Capital at the date of adoption of these Articles shall not be deemed to be Acting in Concert with each other,

"Shareholder"

a holder for the time being of shares of whatever class in the capital of the Company, and

"Table A"

Table A in the Schedule to the Companies (Tables A to F) Regulations 1985 (as amended in all respects prior to the date of adoption of these Articles, including by The Companies (Tables A to F) (Amendment) Regulations 1985 (SI 1985/1052) The Companies Act 1985 (Electronic Communications) Order 2000 (SI 2000/3373), The Companies (Tables A to F) (Amendment) Regulations 2007 (SI 2007/2541) and The Companies Act (Tables A to F) (Amendment) (No 2) Regulations 2007 (SI 2007/2826), and

"Third Anniversary"

the third anniversary of the date of adoption of these Articles

- 1 4 References in these Articles to a "**share**" shall include any interests in shares referred to in section 209(1) (a) and (e) and 209(10) (c) of the 1985 Act.
- 1 5 The headings to these Articles do not affect the construction of these Articles
- 1.6 A person shall be deemed to be connected with another if that person is connected with another within the meaning of section 839, Income and Corporation Taxes Act 1988
- 2 **Share capital**
- 2.1 The authorised share capital of the Company at the date of adoption of these Articles is £1,000 divided into 9,991 Ordinary Shares, 3 F1 Shares, 3 F2 Shares and 3 F3 Shares
- 2 2 The Board is generally and unconditionally authorised for the purposes of section 80 of the 1985 Act to exercise any power of the Company to allot relevant securities (as defined in that section) to such persons, on such terms and in such manner as it thinks fit, up to an aggregate nominal amount of the authorised but unissued share capital at the date of adoption of these Articles at any time or times during the period of 5 years from the date of adoption of these Articles.
- 2 3 The authority contained in Article 2.2 shall enable the Board to allot relevant securities after the expiry of the period of 5 years referred to above pursuant to an offer or agreement made by the Company before the expiry of that period
- 2 4 All unissued shares or securities of the Company not comprising relevant securities shall be at the disposal of the Board who may allot, grant options over or otherwise dispose of them to such persons, at such times, and on such terms as it thinks proper
- 2 5 Subject to any direction to the contrary which may be given by a Requisite Majority, any Ordinary Shares comprised in the original and any increased authorised share capital of the Company shall, before they are issued, be offered to each Qualifying Shareholder:
- (a) if such offer is made prior to the Third Anniversary or at any time when neither the Year 3 Hurdle nor the Year 8 Hurdle has been achieved, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them,

- (b) if such offer is made after the Third Anniversary but before the Eighth Anniversary and the Year 3 Hurdle has been achieved, as to 94.12% of such shares to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 58.8% of such shares to the holders of the F1 Shares pro rata according to the number of fully paid and issued F1 Shares held by each of them;
- (c) if such offer is made after the Eighth Anniversary and both the Year 3 Hurdle and the Year 8 Hurdle have been achieved, as to 88.24% of such shares to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 11.76% of such shares to the holders of the F1 and F2 Shares pro rata according to the number of fully paid and issued F1 and F2 Shares held by each of them, and
- (d) if such offer is made after the Eighth Anniversary and the Year 8 Hurdle has been achieved but the Year 3 Hurdle has not been achieved, as to 88.24% of such shares to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 11.76% of such shares to the holders of the F2 and F3 Shares pro rata according to the number of fully paid and issued F2 and F3 Shares held by each of them,

and such offer ("**the Offer**") shall be made by notice specifying the number of Ordinary Shares to which the Qualifying Shareholder is entitled and limiting a time (being not less than 28 days from the date of the making of such Offer) within which the Offer, if not accepted, shall be deemed to be declined, and after the expiration of such time or on receipt of an intimation from the Qualifying Shareholder to whom the notice is given that he declines to accept the shares, the Board may, within a time period of no longer than 3 calendar months from the date of the making of such Offer, allot such shares in such manner as it resolves, with the written consent of a Requisite Majority, to be most beneficial to the Company, provided that the price per share at which such shares are allotted is not lower than the price per share offered to Qualifying Shareholders pursuant to the Offer. The provisions of this Article 2.5 shall have effect only insofar as they are not inconsistent with section 80 of the 1985 Act.

- 2.6 In accordance with section 91 (1) of the 1985 Act, section 89 (1) and section 90 (1) to (6) inclusive of the 1985 Act shall not apply to the Company

3 Variation of class rights

Whenever the share capital of the Company is divided into different classes of shares, the rights attached to any class may, whether or not the Company is being wound up, be varied, modified, abrogated or cancelled only with the consent in writing of the holders of 75% of the issued shares of that class.

4 Rights attaching to the Shares

- 4.1 The Ordinary Shares and F Shares constitute separate classes of Shares
The Ordinary Shares and F Shares shall rank equally for all purposes unless otherwise stated in these Articles

4.2 Capital

Upon a Capitalisation Event, the Capitalisation Value shall be distributed among the shareholders as follows

- (a) in the event that the Capitalisation Value is less than the Base Value or the Capitalisation Event takes place prior to the Third Anniversary:
 - (i) first, the holders of the Ordinary Shares shall be entitled to the Base Value, to be shared among the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them;
 - (ii) secondly, the holders of the Ordinary Shares shall be entitled to 88.24% of the Excess Value to be shared among the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them;
 - (iii) thirdly, the holders of the F Shares shall be entitled to the lesser of
 - (A) £0.10 per F Share held by them, or
 - (B) the Fair Price per F Share held by them, and
 - (iv) fourthly, the holders of the Ordinary Shares shall be entitled to the balance of the Excess Value (if any) to be shared among the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them, or

(b) in the event that both the Capitalisation Value is greater than the Base Value and the Capitalisation Event takes place after the Third Anniversary but before the Eighth Anniversary and the cumulative net pre-tax profits of the Company, as derived from the audited statutory financial statements of the Company for the three financial periods ending 30 September 2008, 30 September 2009, 30 September 2010 as adjusted so as to include the Notional Profit, exceed £3,000,000 (the "**Year 3 Hurdle**")

(i) first, the holders of the Ordinary Shares shall be entitled to the Base Value, to be shared among the holders of the Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them,

(ii) secondly, the holders of the Ordinary Shares shall be entitled to 94 12% of the Excess Value to be shared among the holders of the Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them; and

(iii) thirdly, the holders of the F2 and F3 Shares shall be entitled to the lesser of

(A) £0.10 per F2 or F3 Share held by them; or

(B) the Fair Price per F2 or F3 Share held by them; and

(iv) fourthly, the holders of the F1 Shares shall be entitled to the balance of the Excess Value (if any) to be shared among the holders of the F1 Shares pro rata according to the number of fully paid and issued F1 Shares held by each of them,

(c) in the event that the Capitalisation Value is greater than the Base Value and the Capitalisation Event takes place after the Eighth Anniversary and the Year 3 Hurdle is achieved and the cumulative net pre-tax profits of the Company, as derived from the audited statutory financial statements of the Company for the five financial periods ending 30 September 2011, 30 September 2012, 30 September 2013, 30 September 2014 and 30 September 2015 exceed £5,000,000 (the "**Year 8 Hurdle**")

(i) first, the holders of the Ordinary Shares shall be entitled to the Base Value, to be shared among the holders of the Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them,

- (ii) secondly, the holders of the Ordinary Shares shall be entitled to 88.24% of the Excess Value to be shared among the holders of Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them,
 - (iii) thirdly, the holders of the F3 Shares shall be entitled to the lesser of
 - (A) £0 10 per F3 Share held by them, or
 - (B) the Fair Price per F3 Share held by them, and
 - (iv) fourthly, the holders of the F1 and F2 Shares shall be entitled to the balance of the Excess Value to be shared among the holders of the F1 and F2 Shares pro rata according to the number of fully paid and issued F1 and F2 Shares held by each of them,
- (d) in the event that the Capitalisation Value is greater than the Base Value and the Capitalisation Event takes place after the Eighth Anniversary and the Year 3 Hurdle is achieved but the Year 8 Hurdle is not achieved then the Capitalisation Value shall be shared in accordance with the provisions of Article 4.2(b);
- (e) in the event that the Capitalisation Value is greater than the Base Value and the Capitalisation Event takes place after the Eighth Anniversary and the Year 8 Hurdle is achieved but the Year 3 Hurdle is not achieved:
 - (i) first, the holders of the Ordinary Shares shall be entitled to the Base Value to be shared among the holders of the Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them,
 - (ii) secondly, the holders of the Ordinary Shares shall be entitled to 88.24% of the Excess Value to be shared among the holders of Ordinary Shares, pro rata according to the number of fully paid and issued Ordinary Shares held by each of them, and
 - (iii) thirdly, the holders of the F1 Shares shall be entitled to the lesser of
 - (A) £0 10 per F1 Share held by them, or
 - (B) the Fair Price per F1 Share held by them, and

- (iv) fourthly, the holders of the F2 and F3 Shares shall be entitled to the balance of the Excess Value, to be shared among the holders of the F2 and F3 Shares pro rata according to the number of fully paid and issued F2 and F3 Shares held by each of them

For the purposes of this Article 4 2, the Investor Director may at any time, but on one occasion only, prior to 1 September 2010, substitute the amount of £5,000,000 referred to in Article 4 2 (c) above with such higher amount in pounds sterling as he in his absolute discretion shall decide, such substitution to be effective with effect from the date of service of a written notice to such effect from the Investor Director to each of the persons registered as holders of the F2 and F3 Shares as at the date of exercise of such right

4.3 **Income**

Any profits which the Directors may lawfully determine to distribute in respect of any financial year ("**Income**") shall be distributed as follows.

- (a) prior to the Third Anniversary or at any time when neither the Year 3 Hurdle nor the Year 8 Hurdle has been achieved, Income shall be distributed amongst the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them;
- (b) after the Third Anniversary but before the Eighth Anniversary, if the Year 3 Hurdle has been achieved, Income shall be distributed amongst the holders of the Ordinary Shares and F1 Shares as to 94 12% of such Income to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 5 88% of such Income to the holders of the F1 Shares pro rata according to the number of fully paid and issued F1 Shares held by each of them,
- (c) after the Eighth Anniversary, if the Year 8 Hurdle and the Year 3 Hurdle have been achieved, Income shall be distributed amongst the holders of the Ordinary Shares and F1 and F2 Shares as to 88 24% of such Income to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 11 76% of such Income to the holders of the F1 and F2 Shares (as if they constituted one class of share) pro rata according to the number of fully paid and issued F1 and/or F2 Shares held by each of them, and

- (d) after the Eighth Anniversary, if the Year 8 Hurdle has been achieved but the Year 3 Hurdle has not been achieved, Income shall be distributed amongst the holders of the Ordinary Shares and F2 and F3 Shares, as to 88.24% of such Income to the holders of the Ordinary Shares pro rata according to the number of fully paid and issued Ordinary Shares held by each of them and as to 11.76% of such Income to the holders of the F2 and F3 Shares (as if they constituted one class of share) pro rata according to the number of fully paid and issued F2 and/or F3 Shares held by each of them

4.4 Voting

- (a) Prior to the Third Anniversary or at any time when neither the Year 3 Hurdle nor the Year 8 Hurdle has been achieved, the holder of each Ordinary Share shall (in that capacity) have the right to receive notice of and to attend, speak and vote at all general meetings of the Company and on a show of hands each holder of shares who (being an individual) is present in person or by proxy or (being a corporation) is present shall have one vote and on a poll each such holder so present shall have one vote for each such share held by him;
- (b) After the Third Anniversary, if the Year 3 Hurdle has been achieved, the holder of each F1 Share shall have the right to receive notice of, attend, speak or vote at all general meetings of the Company, and each such share shall carry 1.96% of the total number of votes exercisable at any such meeting and the Ordinary Shares as a class shall carry 94.12% of the total number of votes exercisable at any such meeting,
- (c) After the Eighth Anniversary, if both the Year 3 Hurdle and the Year 8 Hurdle have been achieved, the holder of each F1 and F2 Share shall have the right to receive notice of, attend, speak or vote at all general meetings of the Company, and each such share shall carry 1.96% of the total number of votes exercisable at any such meeting and the Ordinary Shares as a class shall carry 88.24% of the total number of votes exercisable at any such meeting, and
- (d) After the Eighth Anniversary, if the Year 8 Hurdle has been achieved but the Year 3 Hurdle has not been achieved, the holder of each F2 and F3 Share shall have the right to receive notice of, attend, speak or vote at all general meetings of the Company, and each such share shall carry 1.96% of the total number of votes exercisable at any such meeting and the Ordinary Shares as a class shall carry 88.24% of the total number of votes exercisable at any such meeting

5 **Redemption and purchase of shares**

Subject to the provisions of Part V of the 1985 Act and to the rights of the holders of the respective classes of shares of the Company, the Company may

- (a) issue shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Shareholder concerned,
- (b) purchase its own shares (including any redeemable shares), and
- (c) make a payment in respect of the redemption or purchase under section 159 or 160 or (as the case may be) section 162 of the 1985 Act and the relevant power under sub-paragraphs (a) or (b) above, of any of its own shares otherwise than out of distributable profits of the Company or the proceeds of a fresh issue of shares to the extent permitted by section 171 and section 172 of the 1985 Act.

6. **Permitted transfers of Ordinary Shares**

A transfer of either Ordinary Shares or F Shares may be made to any person with the written consent of a Requisite Majority

7. **Pre-emption rights on transfers of shares**

7.1 Except as provided in Articles 6, 11 and 12 and subject to Article 9, no Shareholder, or person entitled to shares in the Company by transmission, shall be entitled to transfer his shares without first offering them for transfer in accordance with this Article 7. The offer may be in respect of all or part only of the shares held by the proposing transferor and shall be made by the proposing transferor by notice in writing to the Company ("**a Transfer Notice**").

7.2 The Transfer Notice shall specify the shares offered ("**the Offered Shares**") The Transfer Notice may contain a provision ("**a Total Transfer Condition**") that, unless all the Offered Shares are sold under this Article, none shall be sold. The Transfer Notice may be revoked by the giver of the Transfer Notice at any time. The Transfer Notice shall constitute the Board as the agent of the proposing transferor for the sale of the Offered Shares, at the Fair Price.

7.3 On receipt by the Company of the Transfer Notice, the Board shall have a discretion, if the Offered Shares do not comprise a Controlling Interest and subject always to the written consent of a Requisite Majority, which discretion shall be exercisable within 90 days of the service of the Transfer Notice, to arrange for the sale of some or all of the Offered Shares.

- (a) either to the trustees of an employee benefit trust established by the Company (if any) or to such person(s), not already being Shareholders, but being employee(s) or prospective employee(s) of the Company, as the Board, with the written consent of a Requisite Majority, may nominate,

or, failing a sale to such trustees or such a nomination, either:

- (b) to all existing Shareholders other than the holder of a Controlling Interest, pro rata to their existing holdings of Qualifying Shares and, or
- (c) to the Company, subject to its being lawful for the Company to purchase such shares.

7.4 If

- (a) the Offered Shares do comprise a Controlling Interest, or
- (b) if the Offered Shares do not comprise a Controlling Interest and the Board.
 - (i) does not exercise its discretion in relation to any of the Offered Shares in accordance with Article 7.3 within 90 days of service of the Transfer Notice; or
 - (ii) exercises its discretion in accordance with Article 7.3 in respect of some only of the Offered Shares, or
 - (iii) within such period of 90 days, resolves not to exercise any of the discretions available to it in accordance with Article 7.3,

the Board shall, no later than 10 days after the end of such 90 day period or after so exercising its discretion or after so resolving, as the case may be, (provided that the Fair Price has by then been agreed or determined and, if not, by no later than 10 days after the Fair Price has been agreed or determined), give notice to all the other Shareholders (other than the proposing transferor) ("**the Offeree Shareholders**") of the number and description of the Offered Shares or remaining Offered Shares, as the case may be and the Fair Price. The notice shall invite each of the Offeree Shareholders to state in writing to the Company within 30 days whether he is willing to purchase any, and if so what

maximum number ("**Maximum**"), of the Offered Shares. The Board shall at the same time give a copy of the notice to the proposing transferor.

- 7.5 Upon the expiration of the 30 day period referred to in Article 7.3, the Board shall allocate the Offered Shares to or amongst those of the Offeree Shareholders who have expressed a willingness to purchase Offered Shares ("**the Purchasers**") on the basis that.
- (a) each allocation between Purchasers shall in the case of competition be made pro rata to the nominal amount of Ordinary Shares held by each Purchaser but shall not exceed the Maximum which such holder shall have expressed a willingness to purchase; and
 - (b) if the Transfer Notice shall state that the proposing transferor is not willing to transfer part only of the Offered Shares, no allocation will be made unless all the Offered Shares are allocated.
- 7.6 On the allocation being made, the Board shall give details of the allocation in writing to the proposing transferor and each Purchaser and, on the seventh day after such details are given, the Purchasers to whom the allocation has been made shall be bound to pay the purchase price for, and to accept a transfer of, the Offered Shares allocated to them respectively and the proposing transferor shall be bound, on payment of the purchase price, to transfer the Offered Shares to the respective Purchasers to whom the allocation has been made.
- 7.7 If the proposing transferor, after becoming bound to transfer Offered Shares, fails to do so, the Company may receive the purchase price and the Board may appoint a person to execute instruments of transfer of the Offered Shares in favour of the Purchasers to whom the allocation has been made and shall cause the names of those Purchasers to be entered in the register of members of the Company as the holders of the Offered Shares and shall hold the purchase price in trust for the proposing transferor. The receipt of the Company shall be a good discharge to those Purchasers and, after their names have been entered in the Register of Members of the Company under this provision, the validity of the transactions shall not be questioned by any person.
- 7.8 If, following the expiry of the 30 day period referred to in Article 7.4, any of the Offered Shares have not been allocated under that Article, the proposing transferor may at any time within a period of 180 days after the expiry of the 30 day period referred to above, transfer the Offered Shares not allocated to any person and at any price (being not less than the Fair Price) provided that
- (a) if the Transfer Notice contained a provision that, unless the Offered Shares are sold under this Article, none shall be sold,

he shall not be entitled to transfer any of the Offered Shares unless in aggregate all the Offered Shares are so transferred; and

- (b) the Board may require to be satisfied that those shares are being transferred under a bona fide sale for the consideration stated in the transfer without any deduction, rebate or allowance to the Purchaser and, if not so satisfied, may refuse to register the instrument of transfer (without prejudice, however, to the Board's absolute discretion to refuse to approve or register any transfer of shares in the circumstances described in Article 10)

8 Deceased and bankrupt shareholder provisions

8 1 Regulations 29, 30 and 31 of Table A shall be applied subject to the provisions of Article 8 2, 9, 11 and 12

8 2 A person entitled to a share in consequence of the bankruptcy of a member shall be bound at any time, if and when required in writing by the Board so to do, to give a Transfer Notice in respect of such share, and if such person fails to give a Transfer Notice, he shall be deemed to have served the Company with a Transfer Notice in respect of that share. The provisions of Article 7 shall apply to the share and the Transfer Notice, the Transfer Notice (if not actually given) shall be deemed to have been received by the Company on the date on which the Board required the Transfer Notice to be given and the Fair Price shall be calculated as at the date on which the Transfer Notice is either actually given or deemed to have been received by the Company.

9 Compulsory transfers

9 1 Upon any person who is a Shareholder becoming a Leaver, then, unless the Board within 60 days of the cessation of such Leaver's employment resolves that the provisions of this Article 9 should not apply to some or all of the Leaver's Shares relating to such Leaver, the Leaver shall, in respect of all Leaver's Shares held by him, and each person holding any Leaver's Shares relating to such Leaver shall, in respect of those Leaver's Shares, be deemed to have served a Transfer Notice in respect of all such shares on the date falling 60 days after the date of such cessation or on such earlier date as the Board may prescribe for the purposes of this Article 9 1

9 2 On a transfer under Article 9 1, the price per share of the Leaver's Shares to be transferred shall

- (a) in respect of any Ordinary Shares held by such Leaver, be the Fair Price, and

- (b) in respect of any F Shares held by such Leaver, be the Fair Price, unless, in the case of any F1 Shares held by such Leaver, the Year 3 Hurdle has not been achieved or, in the case of any F2 or F3 Shares held by such Leaver, the Year 8 Hurdle has not been achieved, in which cases the price per share for any such F Shares shall be the lower of the Fair Price and £0 10.

9.3 In cases where Article 9.1 applies, the provisions of Articles 7.2 to 7.8 shall apply mutatis mutandis, provided that the Leaver shall not be permitted to specify that the Leaver's Shares are subject to a Total Transfer Condition and he shall not be permitted to revoke the Transfer Notice in accordance with Article 7.2

9.4 Unless otherwise stipulated above, the Fair Price shall be calculated as at the date of cessation of employment of the Leaver in question

10 Registration of transfers

10.1 The Board shall refuse to register a proposed transfer not made under or permitted by Articles 6, 7, 9, 11 or 12

10.2 The Board may also refuse to register a transfer of a share on which the Company has a lien

10.3 A person executing an instrument of transfer of a share is deemed to remain the holder of the share until the name of the transferee is entered in the register of members of the Company in respect of it

10.4 The first sentence of Regulation 24 of Table A shall not apply.

11 Tag along

No sale or transfer of the legal or beneficial interest in any Ordinary Shares in the Company may be made or validly registered in circumstances where, as a result of such sale or transfer and registration thereof, a Controlling Interest would be obtained by any person or group of persons Acting in Concert, unless the proposed transferee or transferees or his or their nominees

- (a) are independent third parties acting in good faith, and
- (b) has or have offered to purchase all of the Ordinary Shares upon the same terms as those offered to the holders of the Controlling Interest

12 **Drag along**

12.1 Subject to Article 7, if the holder(s) of shares comprising a Controlling Interest (the "**Selling Shareholders**") wish to transfer all their interest in shares (the "**Sellers' Shares**") to a bona fide independent third party purchaser (the "**Acquirer**"), the Selling Shareholders shall have the option (the "**Drag Along Option**") to require all the other holders of shares (the "**Called Shareholders**") to sell and transfer all their shares upon the same terms to the Acquirer or as the Acquirer shall direct in accordance with the provisions of this article

12.2 The Selling Shareholders may exercise the Drag Along Option by giving a written notice to that effect (a "**Drag Along Notice**") at any time before the transfer of the Sellers' Shares to the Acquirer. A Drag Along Notice shall specify that the Called Shareholders are required to transfer all of their shares (the "**Called Shares**") pursuant to this article, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (calculated in accordance with this article) and the proposed date of transfer

12.3 Drag Along Notices shall be irrevocable but will lapse if for any reason there is not a sale of the Sellers' Shares by the Selling Shareholders to the Acquirer within 60 days after the date of service of the Drag Along Notice. The Selling Shareholders shall be entitled to serve further Drag Along Notices following the lapse of any particular Drag Along Notice

No Drag Along Notice may require a Called Shareholder to agree to any terms save those specifically provided for in this article.

12.4 Completion of the sale of the Called Shares shall take place on the same date as the date proposed for completion of the sale of the Sellers' Shares unless:

(a) all of the Called Shareholders and the Selling Shareholders agree otherwise, or

(b) that date is less than 3 days after the date of the Drag Along Notice where it shall be deferred until the third day after the date of the Drag Along Notice.

12.5 If any Shareholder does not on the proposed date for completion of the sale of Called Shares execute transfer(s) in respect of all the Called Shares held by him, the defaulting holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Selling Shareholders to be his agent and attorney to execute all necessary transfer(s) on his behalf against receipt by the Company (on trust for such holder) of the purchase monies or any other consideration payable for the Called Shares deliver such transfer(s) to the Acquirer (or as they may direct) and the directors shall forthwith register the

Acquirer (or as they may direct) as the holder thereof After the Acquirer (or its nominee) has been registered as the holder, the validity of such proceedings shall not be questioned by any such person. It shall be no impediment to registration of shares under this sub-article that no share certificate has been produced

- 12 6 Upon any person, following the issue of a Drag Along Notice, becoming a member of the Company pursuant to the exercise of a pre-existing option to acquire shares in the Company (a "New Member"), a Drag Along Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Along Notice who shall thereupon be bound to sell and transfer all such shares acquired by him to the Acquirer or as the Acquirer may direct and the provisions of this article shall apply mutatis mutandis to the New Member save that completion of the sale of such shares shall take place forthwith upon the Drag Along Notice being deemed served on the New Member

13 **General meetings**

- 13 1 At any general meeting a resolution put to the vote of the meeting shall be decided on a show of hands unless a poll is (before, or on the declaration of the result of, the show of hands) demanded by the Chairman or by any Shareholder present in person or by proxy. Unless a poll be so demanded a declaration by the Chairman that a resolution has on a show of hands been carried or carried unanimously, or by a particular majority, or lost, and an entry to that effect in the book containing the Minutes of the proceedings of the Company shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution The demand for a poll may be withdrawn
- 13 2 In the case of an equality of votes, whether on a show of hands or on a poll, the Chairman of the meeting at which the show of hands takes place or at which the poll is demanded shall not be entitled to a second or casting vote

14 **Appointment and retirement of directors**

- 14 1 Unless otherwise determined by ordinary resolution in general meeting of the Company, the number of Directors (other than alternate Directors) shall not be subject to any maximum, and the minimum number of Directors shall be one If and for so long as the number of Directors is one, a sole Director may exercise all the authorities and powers which are vested in the Directors by Table A and by these Articles Regulation 89 of Table A shall be modified accordingly and Regulation 64 of Table A shall not apply to the Company

14 2 The Directors shall not be subject to retirement by rotation and accordingly

- (a) the last sentence of Regulation 84 shall not apply to the Company, and
- (b) Regulation 78 shall apply but with the deletion of the words "and may also determine the rotation in which any additional directors are to retire"

15 Remuneration of Directors

15 1 Each Director shall be entitled to such remuneration (if any) by way of fee for carrying out the ordinary duties of a Director as shall from time to time be determined by the Company in general meeting. Such remuneration shall be deemed to accrue from day to day. An alternate Director may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as his appointor may by notice in writing to the Company from time to time direct. The Directors (including alternate Directors) shall also be entitled to be paid their reasonable travelling, hotel and other expenses of attending and returning from meetings of the Company or otherwise incurred while engaged on the business of the Company or in the discharge of their duties. The end of the first sentence of Regulation 66 shall be modified accordingly and Regulations 82 and 83 shall not apply to the Company.

15 2 Any Director who, by request, performs special services or goes or resides abroad for any purposes of the Company or who otherwise performs services which, in the opinion of the Board, are outside the scope of the ordinary duties of a Director shall receive such extra remuneration by way of salary, percentage of profits or otherwise as the Board may determine, which shall be charged as part of the Company's ordinary working expenses

15 3 Subject to the provisions of the 1985 Act and provided that he has disclosed to the Board the nature and extent of any material interest of his, a Director notwithstanding his office:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is in any way interested,
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is in any way interested,

- (c) may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested,
- (d) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from such office, service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit, and
- (e) shall be entitled to vote and be counted in the quorum on any matter concerning paragraphs (a) to (d) above.

15 4 For the purposes of Article 15.3

- (a) a general notice to the Board that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified,
- (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
- (c) an interest of a person who is, for any purpose of the Act (excluding any statutory modification not in force when this Article becomes binding on the Company), connected with a Director shall be treated as an interest of the Director and, in relation to an alternate director, an interest of his appointor shall be treated as an interest of the alternate director without prejudice to any interest which the alternate director has otherwise

15 5 Regulations 85, 86 and 94 to 97 inclusive shall not apply to the Company

16 **Proceedings of the Board**

16 1 Questions arising at a meeting shall be determined by a majority of votes In the case of equality of votes the Chairman shall not have a second or casting vote An alternate director who is himself a director and/or who acts as an alternate director for more than one director shall be entitled, in the absence of his appointor(s), to a separate vote or votes on behalf of his appointor(s) in addition (if he is himself a director) to his own vote Regulation 88 shall be modified accordingly

- 16.2 A person in communication by electronic means with the chairman and with all other parties to a meeting of the directors or of a committee of the directors shall be regarded for all purposes as personally attending such a meeting provided that he has the ability to communicate interactively and simultaneously with all other parties attending the meeting including all persons attending by electronic means.
- 16.3 A meeting at which one or more of the directors attends by electronic means is deemed to be held at such a place as the directors shall at the said meeting resolve. In the absence of a resolution, the meeting shall be deemed to be held at the place where a majority of the directors attending the meeting are physically present, or in default of such a majority, the place at which the chairman of the meeting is physically present.
- 16.4 In this Article, "**electronic**" means actuated by electric, magnetic, electro-magnetic, electro-chemical or electro-mechanical energy and "**by electronic means**" means by any manner only capable of being so actuated.
17. **Notices**
- 17.1 Every Director of the Company and every alternate Director shall, upon supplying the Company with an address for the giving of notices, be entitled to receive notices of general meetings, provided always that non-receipt of any such notice by any Director or alternate Director shall not invalidate the proceedings at the meeting convened by such notice.
- 17.2 A notice may be given:
- (a) by the Company to any Shareholder or Director either personally or by sending it by first class post (airmail if abroad) or Royal Mail Special Delivery post or by facsimile or other means of visible communication to him or to his registered address or to the address supplied by him to the Company for the giving of notice to him, or
 - (b) to the Company for the purpose of these Articles by like method at its registered office for the time being
- 17.3 Where a notice is sent by post, service of the notice shall be deemed to be effected by properly addressing, preparing and posting a letter containing the notice, and to have been effected at the expiration of 48 hours after the letter containing the same is posted. Where a notice is sent by facsimile or other means of visible communication, service of the notice shall be deemed to be effected forthwith.

18 Indemnity

Every Director or other officer of the Company shall be indemnified out of the assets of the Company against all losses or liabilities which he may sustain or incur in or about the execution of the duties of his office or otherwise in relation to it, including any liability incurred by him in defending any proceedings, whether civil or criminal, in which judgment is given in his favour or in which he is acquitted or in connection with any application under sections 144 and 727 of the 1985 Act, in which relief is granted to him by the Court, and no Director or other officer shall be liable for any loss, damage or misfortune which may happen to or be incurred by the Company in the execution of the duties of his office or in relation to it. This Article shall only have effect in so far as its provisions are not avoided by section 310 of the 1985 Act Regulation 118 of Table A shall not apply