

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF
CYGNET HEALTH UK LIMITED

Company registration number 06464637



(As adopted by special resolution passed on 19 June 2019)

ARTICLES OF ASSOCIATION OF CYGNET HEALTH UK LIMITED

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INTRODUCTION

1.INTERPRETATION

1.1 In these Articles, unless the context otherwise requires.

A shares: The A ordinary shares of £0.0001 each in the capital of the company.

A and B Shareholders: The holder of A Shares and B Shares, which may be one or more parties.

Accounts: The audited, unaudited or management accounts for the 2021 Financial Year (as applicable) as determined by the Board in their absolute discretion.

Act: The Companies Act 2006.

Adjusted Management Pot: Either:

- (i) where Article 5.2 applies, the lower of: (i) 10% of EV; (ii) 10% of Leaver EV; and (iii) £12.82m; or
- (ii) where Article 7.1(b) applies, the lower of: (i) 10% of Corporate Event EV; (ii) 10% of Leaver EV; and (iii) £12.82m.

appointor: has the meaning given in Article 20.1.

Articles: The company's articles of association for the time being in force.

B shares: The B ordinary shares of £0.0001 each in the capital of the company.

Bad Leaver: A Leaver who is not a Good Leaver.

Bad Leaver Consideration: The lower of: (i) the Purchase Price; and (ii) the Market Value of the C Shares held by the Bad Leaver as at the Termination Date.

Board: The board of directors of the company, and where decisions or actions are to be taken under Articles 4 - 7, such decisions or actions may only be made unanimously by all the directors of the board, such approval to not be unreasonably withheld.

business day: means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business,

Calculation Date: The first date on which the Board shall calculate the Management Pot, such date to be as soon as practicable following the end of the 2021 Financial Year.

C Shares: The C ordinary shares of £0.0001 pence each in the capital of the company (and "C Shareholder" shall be construed accordingly).

Conflict: has the meaning given in Article 16.1.

Controlling Interest: A holding of shares in the company in respect of which more than 50% of the total voting rights conferred by all the issued shares in the company may be exercised.

Corporate Event: Any of the following:

- (i) The purchase of a Controlling Interest in the Company or parent entity by an unconnected third party;
- (ii) A sale of all or substantially all of the assets of the Company; or
- (iii) The listing of the ordinary shares in the company or a holding company established for the purposes of a listing.

Corporate Event Consideration: means $A \times B$

Where:

A = Corporate Event Management Pot

B = Management Pot Proportion

Corporate Event EV: means $C - D$

Where:

C = The enterprise value of the company at the time of the Corporate Event (prior to the repayment of any debt items) determined under the terms of the Corporate Event.

D = Net Debt determined as at the time of the Corporate Event.

Corporate Event Management Pot: The higher of:

- (i) £12.82m; and (ii) 10% of Corporate Event EV

EBITDA: Earnings before interest, tax, depreciation and amortisation of the company as calculated in the Accounts of the company adjusted to exclude accounting charges relating to the C Shares and any other employee share incentive.

eligible director: means a director who would be entitled to vote on the matter at a meeting of directors (but excluding any director whose vote is not to be counted in respect of the particular matter),

EV: The equity value of the company as at 31 December 2021 which is calculated as follows:

$$(11.07 \times E) - F$$

Where:

E = EBITDA by reference to the Accounts

F = Net Debt as at 31 December 2021.

Final Option: The right for a C Shareholder to sell and for the A and B Shareholders to purchase C Shares that is exercisable in accordance with Article 6.5, which shall crystallise on the Final Option Date.

Final Option Consideration: The lower of:

- (i) the Purchase Price of the C Shares subject to the Final Option; and (iii) the Market Value of the C Shares subject to the Final Option as at the Final Option Date.

Final Option Date: means the Calculation Date if the Management Pot is calculated on such date to be zero or a negative number.

Financial Year: The financial year of the Company which runs from 1 January to 31 December each year, as may be amended from time to time.

First Option: The right for each C Shareholder to sell and for the A and B Shareholders to purchase C Shares that is exercisable in accordance with Article 6.2(a), which shall crystallise on the First Option Date.

First Option Date: Such date as determined by the Board which shall be as soon as practicable following the Calculation Date, and not later than 30 April 2022.

Fourth Option: The right for each C Shareholder to sell and for the A and B Shareholders to purchase C Shares that is exercisable in accordance with Article 6.2(d), which shall crystallise on the Fourth Option Date.

Fourth Option Date: 31 December 2024.

Good Leaver: A Leaver by reason of one of the following: (i) death; (ii) disability (evidenced to the satisfaction of the Board); (iii) ill-health (evidenced to the satisfaction of the Board); (iv) redundancy; (v) retirement with the approval of the Board; (vi) the employer of the Good Leaver ceasing to be part of the Group; (vii) dismissal other than by either Gross Misconduct (except where such dismissal would be wrongful or unfair), or other than due to failing to perform duties as per the C Shareholder's job description (and the failure to perform such duties will be communicated to such C Shareholder in writing and will follow due UK HR performance management process); and (viii) any other reason as determined by the Board in their absolute discretion.

Good Leaver Consideration: The adjusted option consideration payable to a Good Leaver pursuant to Article 5.2 (*Good Leaver prior to the Calculation Date*) or Article 7.1(b) (*Good Leaver as at a Corporate Event prior to the Calculation Date*) (as applicable) which is calculated as follows:

$(G \times B)$

G = Adjusted Management Pot

B = Management Pot Proportion

Pro-rated as follows:

- (i) Where Article 5.2 applies, by reference to the time period which has elapsed between the date on which the C Shares were originally issued and the Termination Date, as a proportion of the total time period between the date on which the C Shares were originally issued and the Calculation Date; or
- (ii) Where Article 7.1(b) applies, by reference to the time period which has elapsed between the date on which the C Shares were originally issued and the Corporate Event, as a proportion of the total time period between the date on which the C Shares were originally issued and the Calculation Date.

Gross Misconduct: means matters that the Board views as amounting to gross misconduct which include (but are not limited to): (i) theft or fraud from the individuals in our care, the Company, members of staff or the public; (ii) falsification of records, reports, accounts, expense claims or self-certification forms whether or not for personal gain; (iii) sexual misconduct at work; (iv) giving or accepting any bribes or inducements; (v) failure to provide, when requested, proof of your right to work in the UK; (vi) conduct that brings the Company's name into disrepute; and (vii) any act of such gravity as to be inconsistent with continued employment.

Group: means the company and any company which is a subsidiary, a holding company or a subsidiary of a holding company of the Company or the Subsidiary from time to time and "Group Company" shall be construed accordingly ("subsidiary" and "holding company" shall for the purposes of this definition have the meaning given by Section 1159 of the Companies Act 2006);

Interested Director: has the meaning given in Article 16.

Leaver: A C Shareholder who ceases employment with the Group.

Leaver EV: means $(11.07 \times H) - I$

Where:

H = EBITDA as for the trailing 12 month period up to the last full month prior to the Termination Date determined using the management accounts and/or audited accounts as determined by the Board in their absolute discretion.

I = Net Debt calculated as at the Termination Date.

Management Pot: The lower of:

£12.82m; and (ii) 10% of EV (and for the avoidance of doubt, if EV is equal to or less than zero, the Management Pot will be zero)

Management Pot Proportion: means in respect of each C Shareholder:

J/K

Where:

J = Number of C Shares being sold by such C Shareholder pursuant to a Put and Call Option, or on a Corporate Event (as applicable)

K = Total number of C Shares issued (with no adjustment for any C Shares cancelled on a purchase of own shares by the company).

Market Value: The value of a C Share determined in accordance with Part VIII of the Taxation of Chargeable Gains Act 1992.

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

Net Debt: means:

- (i) capital invested in the Company (or in UK Acquisitions No 6 Limited, UHS of GB Inc.,) or any subsidiary of the Company in the form of share subscription or loans by UHS Inc. or any company controlled (directly or indirectly) by UHS Inc., such amount or amounts being increased by an interest rate of 8% from the date of capital investment to the Calculation Date;
- (ii) reduced by money returned by way of a return of capital or repayment of debt to UHS Inc. or any entity that has provided capital investment; and
- (iii) reduced by any cash held in excess of working capital requirements.

New Members: has the meaning given in Article 29.

Offer: means the offer by UK6L for all the issued and to be issued share capital of the company made on 26 September 2014.

Option Consideration: means, in respect of the C Shares being sold under a Put and Call Option pursuant to Articles 6.2(a) - (d), the consideration payable, calculated as:

$(L \times B)$

where:

L = Management Pot

B = Management Pot Proportion

Purchase Price: The subscription price paid by a C Shareholder for their C Shares (and where part of this price is agreed to be paid but left outstanding, the Purchase Price shall include such outstanding amount).

Put and Call Options: The First Option, the Second Option, the Third Option, the Fourth Option and if applicable the Final Option (and "Put and Call Option" shall mean any one of them).

Second Option: The right for a C Shareholder to sell and for the Purchasing Party to purchase C Shares that is exercisable in accordance with Article 6.2(b), which shall crystallise on the Second Option Date.

Second Option Date: 31 December 2022.

shares: means the A shares, the B shares and the C shares (unless otherwise stated)

Termination Date: The date on which a C Shareholder becomes a Leaver.

Third Option: The right for a C Shareholder to sell and for the Purchasing Party to purchase C Shares that is exercisable in accordance with Article 6.2(c), which shall crystallise on the Third Option Date.

Third Option Date: 31 December 2023.

Transfer Shares: has the meaning given in Article 29.

UK6L: UK Acquisitions No 6 Limited.

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles
- 1.4 A reference in these Articles to an "article" is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of
 - (a) any subordinate legislation from time to time made under it, and
 - (b) any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts
- 1.6 Any phrase introduced by the terms including, include, in particular or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms
- 1.7 The Model Articles shall apply to the company, except in so far as they are modified or excluded by these Articles. In the event of any conflict between the Model Articles and these Articles, the provisions of Articles will prevail

- 1.8 Articles 8, 90) and (3), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 26(5), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the company
- 1.9 Article 7 of the Model Articles shall be amended by
 - (a) the insertion of the words "for the time being" at the end of article 7(2)(a), and
 - (b) the insertion in article 7(2) of the words "(for so long as he remains the sole director)" after the words "and the director may"
- 1.10 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur"
- 1.11 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity"
- 1.12 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 10," after the word "But"
- 1.13 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name"
- 1.14 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide" Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

SHARES

2. SHARE CAPITAL

- 2.1 The issued share capital of the company at the date of adoption of these Articles is divided into A shares, B shares and C shares.
- 2.2 The C Shares shall not entitle the holders thereof to vote.
- 2.3 The C Shares shall not entitle the holders thereof to dividends (to the extent declared).
- 2.4 Each of the A shares, B shares and C shares shall rank *par passu* in all respects unless otherwise stated.
- 2.5 On a return of capital (on a winding up or otherwise of the company) the assets of the company available for distribution after the repayment of any debt (the "Net Assets") shall be applied in the following order of priority:
 - (a) first, an amount shall be payable to the holders of C Shares calculated as follows:

((11.07 x EBITDA for the trailing 12 month period up to the date of the return of capital, or if earlier the date on which the company ceased or the trade of the company was disposed of, by reference to management accounts and/or audited accounts)

less Net Debt as at the date of the return of capital)

x 10%

Such amount to be capped at £12.82m, distributed amongst the holders of C Shares pro rata to their respective shareholdings.
 - (b) second, the balance of any Net Assets remaining following the operation of article 2.5(a), shall be distributed to the A and B Shareholders (pro rata to their respective shareholdings if applicable).

3. SHARE TRANSFERS (GENERAL)

- 3.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor
- 3.2 The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it
- 3.3 Subject to Article 3.4 the directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- 3.4 Notwithstanding anything contained in these Articles, the directors shall not decline to register any transfer of shares, nor may they suspend registration thereof where such a transfer is executed by or in favour of any bank or institution to whom such shares have been charged, mortgaged or assigned by way of security or a receiver acting on its behalf, or by or in favour of any nominee of, or purchaser from, such a bank or institution or such a receiver, pursuant to any power of sale or assignment under any deed or agreement or other document pursuant to which such shares have been charged, and a certificate by any official of such bank or institution that the shares were so charged, mortgaged or assigned and the transfer was so executed shall be deemed to be conclusive evidence of such facts

4. PERMITTED TRANSFERS

- 4.1 A Shares and B Shares may be transferred to any transferee in accordance with Article 3.
- 4.2 C Shares may only be transferred in the following circumstances:
 - (a) pursuant to Article 5 (*Leavers*),
 - (b) pursuant to Article 6 (*Put and Call Option*);
 - (c) pursuant to Article 7 (*Corporate Event*); and
 - (d) in any other circumstance as determined by the Board,

and in all cases, such transfers shall be made in accordance with Article 3.

5. LEAVERS

- 5.1 Where a Leaver is a Bad Leaver, they shall be required to transfer all of their C Shares to the A and B Shareholders (in proportion to their holdings of A Shares and B Shares if applicable), for the Bad Leaver Consideration. Such Bad Leaver shall forfeit the right to any Option Consideration which would otherwise have been payable following the Termination Date.
- 5.2 Where a Leaver is a Good Leaver and their Termination Date occurs prior to the Calculation Date, they shall be permitted to retain their C Shares (subject to any other provisions of these Articles). Their C Shares shall be subject to the Put and Call Options in Article 6, save that they shall receive the Good Leaver Consideration following the exercise of each Put and Call Option, rather than the Option Consideration (subject always to Article 6.5).
- 5.3 Where a Leaver is a Good Leaver and their Termination Date occurs after the Calculation Date, their C Shares shall be subject to the Put and Call Options and they shall receive the Option Consideration in accordance with Article 6.

6. PUT AND CALL OPTION

6.1 Subject to Article 5 and Article 7, the A and B Shareholders shall purchase C Shares (in proportion to their holding of A Shares and B Shares if applicable) pursuant to a Put and Call Option, subject to:

- (a) the purchase of the C Shares and the delivery of the consideration to the C Shareholder not being prohibited by any laws or regulations; and
- (b) there being no significant negative impact on the business of the Group as a result of the purchase of the C Shares,

the determination of which shall be made by the Board acting fairly and reasonably in its discretion.

6.2 The Put and Call Options may be exercised in respect of C Shares held by a given C Shareholder as follows:

- (a) on the First Option Date, the First Option may be exercised in respect of one quarter of the total number of C Shares held by the C Shareholder immediately prior to the First Option Date;
- (b) on the Second Option Date, the Second Option may be exercised in respect of one quarter of the total number of C Shares held by the C Shareholder immediately prior to the First Option Date;
- (c) on the Third Option Date, the Third Option may be exercised in respect of one quarter of the total number of C Shares held by the C Shareholder immediately prior to the First Option Date;
- (d) on the Fourth Option Date, the Fourth Option may be exercised in respect of one quarter of the total number of C Shares held by the C Shareholder immediately prior to the First Option Date;

Where the number of C Shares to be acquired on the exercise of a Put and Call Option as set out in 6.2 (a) to (d) above exceeds the number of C Shares held by a C Shareholder, the C Shares to be acquired on the exercise of the Put and Call Option shall be limited to the number of C Shares held by such C Shareholder.

6.3 Subject to Article 5.3, on the exercise of each of the Put and Call Options (as applicable), each C Shareholder shall become entitled to receive the Option Consideration on the date the Put and Call Option is exercised, or within 10 businesses days thereafter.

6.4 On the Calculation Date, the Board shall determine the Option Consideration based on the most appropriate Accounts available at the time. Any payment due under Article 6.2 above shall be made based on this determination of Option Consideration unless and until alternative more appropriate Accounts are available, most likely in the form of audited accounts. Where alternative more appropriate Accounts are available, and the EBITDA in such Accounts differs from the EBITDA in the Accounts used previously, the Option Consideration shall be recalculated and amended. Where there is an amendment to the Option Consideration, there shall be a payment to or by the seller of the C Shares to reflect such change. Where appropriate, such payment may be reflected in an adjustment to the payment to be made in respect of the Second Option, Third Option, Fourth Option, Final Option, Good Leaver Consideration or Corporate Event Consideration as applicable.

6.5 Where the Management Pot would be zero or a negative number, the Final Option may be exercised in respect of all C Shares held by each C Shareholder on a date to be determined by the Board which shall be as soon as practicable following the Calculation Date, and each C Shareholder shall receive the Final Option Consideration.

- 6.6 The Put and Call Option shall be exercised either by written notice delivered by the A and B Shareholders or by written notice delivered by each C Shareholder to the A and B Shareholders (in either case the "Option Notice"). The Option Notice shall specify the number of C Shares in respect of which the Put and Call Option is being exercised and the Option Consideration that is due from the A and B Shareholders to such C Shareholder. An Option Notice shall be irrevocable.
- 6.7 If an Option Notice is delivered under Article 6.6, the A and B Shareholders shall deliver the Option Consideration to each C Shareholder free from any rights, interests and encumbrances of any third party. Each C Shareholder shall deliver the C Shares to the A and B Shareholders with full title guarantee free from any rights, interests and encumbrances of any third party. The delivery of the C Shares and the delivery of the Option Consideration shall take place no later than 10 business days after the date on which the Option Notice was delivered.
7. CORPORATE EVENT
- 7.1 On the occurrence of a Corporate Event prior to the Calculation Date, the A and B Shareholders may require that the holders of C Shares sell all of their C Shares to the A and B Shareholders or such party as the A and B Shareholders shall determine (with the necessary agreement of the other party) at the time of the Corporate Event. The consideration due to each C Shareholder where C Shares are required to be sold pursuant to this Article 7.1 shall be either:
- (a) the Corporate Event Consideration in relation to the C Shares on the date on which the C Shares are sold pursuant to this Article 7.1; or
 - (b) where such C Shareholder is a Good Leaver as at the time of the Corporate Event, the Good Leaver Consideration as if the First Option, Second Option, Third Option and Fourth Option were exercised on the date of the Corporate Event.
- 7.3 Where the Corporate Event occurs following the Calculation Date, the A and B Shareholders shall purchase any remaining C Shares held by the holders of C Shares (in proportion to their holding of A and B Shares if applicable) for the aggregate Option Consideration that would otherwise have been payable.
- 7.4 Where the C Shareholder is required to sell the C Shares pursuant to this Article 7, the A and B Shareholders shall provide written notice to the C Shareholder. The A and B Shareholders shall then take such steps as are necessary to ensure that C Shareholder receives the Option Consideration and the C Shareholder shall take such steps as are necessary to transfer the C Shares to the relevant party.
8. FURTHER ISSUES OF SHARES: AUTHORITY
- 8.1 Subject to the remaining provisions of this Article 8 and to Article 9, the directors are generally and unconditionally authorised, for the purposes of section 551 of the Act and generally, to exercise any power of the company to
- (a) offer or allot;
 - (b) grant rights to subscribe for or to convert any security into,
 - (c) otherwise deal in, or dispose of,
- any shares in the company to any person, at any time and subject to any terms and conditions as the directors think proper
- 8.2 The authority referred to in Article 8.1:
- (a) shall be limited to a maximum nominal amount of £4,000,000,
 - (b) shall only apply insofar as the company has not renewed, waived or revoked it by ordinary resolution, and

- (c) may only be exercised for a period of five years commencing on the date on which these Articles are adopted, save that the directors may make an offer or agreement which would, or might, require ordinary shares to be allotted after the expiry of such authority (and the directors may allot ordinary shares in pursuance of an offer or agreement as if such authority had not expired).

9. FURTHER ISSUES OF SHARES: PRE-EMPTION RIGHTS

- 9.1 In accordance with section 567(l) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in section 560(1) of the Act) made by the company
- 9.2 Subject to Articles 9.3 and 9.4 and unless otherwise determined by special resolution, any equity securities shall, before they are allotted on any terms, be first offered by the company on the same or more favourable terms to the shareholders in proportion as nearly as is practicable (without involving fractions) to the nominal value of the shares in the company held by them
- 9.3 Any offer required to be made under Article 5.2 shall be made by written notice to each shareholder at his registered address or the email address provided for this purpose. The notice shall specify the number of equity securities offered and the period, being at least 14 days, within which the offer, if not accepted, will be deemed to have been declined. After the expiration of such period, or if earlier on receipt of notice of acceptance or refusal of each offer so made, the directors may, subject to these Articles, allot such equity securities as have not been taken up in such manner as they think fit
- 9.4 Article 5.2 shall not apply to the allotment of equity securities if the company has only one member, to that sole member.

DIRECTORS

10. UNANIMOUS DECISIONS

- 10.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter
- 10.2 Such a decision may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing

11. CALLING A DIRECTORS' MEETING

- 11.1 Any director may call a directors' meeting by giving not less than five business days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice

12. QUORUM FOR DIRECTORS' MEETINGS

- 12.1 Subject to Article 12.2, the quorum for the transaction of business at a meeting of directors is any two eligible directors
- 12.2 For the purposes of any meeting (or part of a meeting) held pursuant to Article 11 to authorise a director's conflict, if there is only one eligible director in office other than the conflicted director(s), the quorum for such meeting (or part of a meeting) shall be one eligible director
- 12.3 Whenever the minimum number of directors of the company shall be one pursuant to Article 18, a sole director shall have authority to exercise all the powers and discretions which are expressed by the Model Articles and hereto to be vested in the directors generally and any relevant applicable provisions of the Model Articles shall be modified accordingly

- 12.4 Subject to Article 12.3, if the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision
- (a) to appoint further directors; or
 - (b) to call a general meeting so as to enable the shareholders to appoint further directors

13. VOTING

- 13.1 Questions arising at a meeting of the directors shall be decided by a majority of votes and the chairman of the meeting shall not have a second or casting vote

14. TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Companies Acts, a director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company:

- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested;
- (b) shall be an eligible director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such contract or proposed contract in which he is interested,
- (c) shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested,
- (d) may act by himself or his firm in a professional capacity for the company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a director;
- (e) may be a director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the company is otherwise (directly or indirectly) interested, and
- (f) shall not, save as he may otherwise agree, be accountable to the company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

15. GENERAL DIRECTORS' CONFLICTS OF INTEREST

- 15.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any director which would, if not authorised, involve a director (an Interested Director) breaching his duty under section 175 of the Act to avoid conflicts of interest (a Conflict).
- 15.2 Any authorisation under this Article 15 will be effective only if
- (a) to the extent permitted by the Act, the matter in question shall have been proposed by any director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine,
 - (b) any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested director, and
 - (c) the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested director's vote had not been counted
- 15.3 Any authorisation of a Conflict under this Article 15 may (whether at the time of giving the authorisation or subsequently):

- (a) extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised,
- (b) provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
- (c) provide that the Interested Director shall or shall not be an eligible director in respect of any future decision of the directors in relation to any resolution related to the Conflict,
- (d) impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit,
- (e) provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise 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 that information to the company, or to use it in relation to the company's affairs where to do so would amount to a breach of that confidence, and
- (f) permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.

15.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict

15.4 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation

15.5 A director is not required, by reason of being a director (or because of the fiduciary relationship established by reason of being a director), to account to the company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the company in general meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds

16 SPECIFIC INTERESTS OF A DIRECTOR

16.1 Subject to the provisions of the Act and provided that he has declared to the directors in accordance with the provisions of these Articles, the nature and extent of his interest, a director may (to the extent permitted by law from time to time), notwithstanding his office, have an interest of the following kind.

- (a) where a director (or a person connected with him) is a director, employee or other officer of, or a party to any contract, arrangement or transaction with, or in any way interested in, any body corporate promoted by the company or in which the company is in any way interested;
- (b) where a director (or a person connected with him) is a shareholder or a shareholder in, employee, director, member or other officer of, or consultant to, a group undertaking (as defined in the Act) of the company,
- (c) where a director (or a person connected with him) holds and is remunerated in respect of any office or place of profit (other than the office of auditor) in respect of the company or any body corporate in which the company is in any way interested,
- (d) where a director (or person connected with him) is an employee, director, trustee, member, partner, officer or representative of, or a direct or indirect investor (including without limitation by virtue of carried interest, remuneration or C arrangements or the holding of securities) in any fund or funds which have any direct or indirect interest in the company and any manager of such funds,
- (e) an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest; or
- (f) any other interest authorised by ordinary resolution

17. RECORDS OF DECISIONS TO BE KEPT

Where decisions of the directors are taken by electronic means, such decisions shall be recorded by the directors in permanent form, so that they may be read with the naked eye

18. NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall be subject to a maximum of 7 but shall not be less than one

19. APPOINTMENT OF DIRECTORS

19.1 The company may by ordinary resolution and the Directors may (if approved in writing by UK6L (being the majority of the company)) appoint a person (willing to act) to be a director either to fill a vacancy or as an additional director.

19.2 Notwithstanding any provision in the Model Articles, a director shall be required to vacate his office if he is removed by notice in writing to the company signed by or on behalf of either UK6L (being the majority shareholder of the company) or any of its direct or indirect parent undertakings (as such term is defined in the Act)

20. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

20.1 Any director (an appointor) may appoint as an alternate any other director, or any other person approved by resolution of the directors, to

- (a) exercise that director's powers; and
 - (b) carry out that director's responsibilities,
- in relation to the taking of decisions by the directors, in the absence of the alternate's appointor

20.2 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

20.3 The notice must:

- (a) identify the proposed alternate, and
- (b) 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

21. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

21.1 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

21.2 Except as the Articles specify otherwise, alternate directors

- (a) are deemed for all purposes to be directors;
- (b) are liable for their own acts and omissions,
- (c) are subject to the same restrictions as their appointors, and
- (d) are not deemed to be agents of, or for, their appointors,

and, in particular (without limitation), 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.

21.3 A person who is an alternate director but not a director:

- (a) 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),
- (b) may participate in a unanimous decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate), and

(c) shall not be counted as more than one director for the purposes of Articles 21.3(a) and (b)

21.4 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.

21.5 An alternate director may be paid expenses and may be indemnified by the company to the same extent as his appointor but shall not be entitled to receive any remuneration from the company for serving as an alternate director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the company.

22. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate terminates:

- (a) when the alternate's appointor revokes the appointment by notice to the company in writing specifying when it is to terminate,
- (b) 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,
- (c) on the death of the alternate's appointor, or
- (d) when the alternate's appointor's appointment as a director terminates

23. SECRETARY

The directors may appoint any person who is willing to act as the secretary for such term, at such remuneration and upon such conditions as they may think fit and from time to time remove such person and, if the directors so decide, appoint a replacement, in each case by a decision of the directors

DECISION MAKING BY SHAREHOLDERS

24. POLL VOTES

24.1 The C Shares shall not entitle the holders thereof to receive notice of general meetings and neither will they entitle the holders to attend or vote at any general meeting. The remainder of Article 24 shall not apply to the C Shares.

24.2 A poll may be demanded at any general meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting

24.2 Article 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Article

25. PROXIES

25.1 The C Shares shall not entitle the holders thereof to receive notice of general meetings and neither will they entitle the holders to attend or vote at any general meeting. The remainder of Article 25 shall not apply to the C Shares.

25.2 Article 45(1)(d) of the Model Articles shall be deleted and replaced with the words "is delivered to the company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to

be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

- 25.3 Article 45(1) of the Model Articles shall be amended by the insertion of the words "and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting" as a new paragraph at the end of that Article

ADMINISTRATIVE ARRANGEMENTS

26. MEANS OF COMMUNICATION TO BE USED

- 26.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient.

(a) 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 (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider),

(b) if properly addressed and delivered by hand, when it was given or left at the appropriate address,

(c) if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied, and

(d) 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, no account shall be taken of any part of a day that is not a working day

- 26.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act

27. INDEMNITY

- 27.1 Subject to Article 28.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled

(a) 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 company's (or any associated company's) affairs, and

(b) 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 29 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure

- 27.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law

- 27.3 In this Article

(a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and

(b) a "relevant officer" means any director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

28. INSURANCE

28.1 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 relevant loss.

28.2 In this Article

(a) a "relevant officer" means any director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act),

(b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and

(c) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

29. NEW SHAREHOLDERS

29.1 This Article 29 shall not apply to an issue of C Shares.

29.2 Notwithstanding any provision of these Articles, other than Article 29.2, if any shares in the capital of the Company are issued to any person (a New Member) (other than to UK6L, any other company within its associate or its nominee(s)) after the date of the Offer (the Transfer Shares), the Transfer Shares will, subject always to Article 24.2, be immediately transferred to UK6L (or to such other person as it may direct) in consideration of and conditional upon the payment by UK6L to the New Member of such consideration as would have been payable to such New Member would have been entitled under the Offer for each such Transfer Share as if it were a Transfer Share.

29.3 To give effect to any transfer required by Article 29.2, the Company may appoint any person as attorney and/or agent for the New Member to transfer the Transfer Shares to UK6L (or to such other person as UK6L may direct) and do all such other things and execute and deliver all such documents as may in the opinion of the attorney and/or agent be desirable to vest the Transfer Shares in UK6L (or to such other person as UK6L may direct) and, pending such vesting to exercise all such rights attaching to the Transfer Shares as UK6L may direct. If an attorney and/or agent is so appointed, the New Member shall not thereafter (except to the extent that the attorney and/or agent fails to act in accordance with the directions of UK6L) be entitled to exercise any rights attaching to the Transfer Shares unless so agreed by UK6L. The attorney and/or agent shall be empowered to exercise and deliver as transferor a form of transfer or instructions of transfer on behalf of the New Member (or any subsequent holder) in favour of UK6L (or as UK6L may direct) and the Company may give good receipt for the consideration of the Transfer Shares and may register UK6L (or as UK6L may direct) as holder thereof and issue to it certificates for the same.