

Company No: 07246160

The Companies Act 2006
COMPANY LIMITED BY SHARES

RESOLUTIONS

of

MERITAS DEVELOPMENTS LIMITED

**Passed 6 December
2010**

By a written resolution agreed to in accordance with Chapter 2 of Part 13 of the Companies Act 2006 by or on behalf of the required number of the members of the Company who, at the date of circulating the resolution, were entitled to vote on the resolution the following resolutions of the Company was/were duly passed:

RESOLUTIONS

As ordinary resolutions

1. THAT, the terms of the share purchase agreement relating to the acquisition by the Company of the entire issued share capital of Cawood Scientific Limited to be entered into between Sensortec Limited (1) and the Company (2) (the "**Acquisition Agreement**") be approved.

As special resolutions

2. THAT, conditional upon and with effect from immediately prior to the completion of the Investment Agreement to be entered into between the Company, Nigel Patrick and Others, the Investors and NVM Private Equity Limited (the "**Investment Agreement**") each of 6 issued ordinary shares of £1.00 be and are hereby subdivided into reclassified as 600 C Ordinary Shares of £0.01 each in the share capital of the Company each having the rights and subject to the restrictions set out in the Articles of Association as proposed to be adopted pursuant to resolution 5 below.
3. THAT, conditional upon and with effect from immediately prior to the completion of the Investment Agreement, pursuant to the provisions of section 551 of the Companies Act 2006, the Directors be and are hereby generally and unconditionally authorised in substitution for all existing authorities to the extent unused to exercise all the powers of the Company to allot shares as defined by such section 551 provided that:

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(i) the maximum amount of shares that may be allotted under this authority is as follows:

- 92,308 A Ordinary Shares of £0.01 each;
- 407,692 B Ordinary Shares of £0.001 each; and
- 99,400 C Ordinary Shares of £0.01 each,

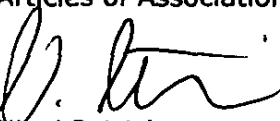
in each case having the rights and subject to the restrictions set out in the Articles of Association as proposed to be adopted pursuant to resolution 5 below.

(ii) this authority shall, unless it is (prior to its expiry) duly revoked or varied or is renewed, expire 5 years from the date of this resolution save that the Company may, before such expiry, make an offer or agreement which will or may require shares to be allotted after such expiry.

As special resolutions

4. THAT, conditional upon and with effect from immediately prior to the completion of the Investment Agreement, solely for the purposes of the Company entering into the Investment Agreement, pursuant to the provisions of section 570 of the Companies Act 2006, the Directors are empowered to allot equity securities (as defined in section 560 of that Act) and shares to such persons and in such amounts as they deem fit up to the amounts set out in the section 551 authority above as if the pre-emption provisions of section 561(1) of that Act and such Articles of Association, and in particular Article 19, did not apply to any such allotment.
5. THAT, conditional upon and with effect from immediately prior to the completion of the Investment Agreement, the Articles of Association set out in the document circulated with these resolutions and signed by the Secretary of the Company for the purposes of identification be approved and 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.

Signed:


Nigel Patrick
Director

Dated 21st December 2010

הוא נשאל על ידי המורה: "מה זה אומר?"

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EVERSHEDS

Company number: 07246160

Articles of Association of Meritas Developments Limited

Incorporated 5 May 2010

Adopted by special resolution passed on 6 December 2010

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THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

MERITAS DEVELOPMENTS LIMITED

Adopted by special resolution passed on 6 DECEMBER 2010

1. **PRELIMINARY**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company ("**Model Articles**") (a copy of which is annexed) apply to the Company except in so far as they are excluded or varied by these Articles. If there is any inconsistency or conflict between any provision of the Model Articles and these Articles, the latter shall prevail.

2 **INTERPRETATION**

2 1 In these Articles the following expressions have the following meanings unless inconsistent with the context:

"2006 Act"	the Companies Act 2006 (as amended from time to time)
"Acquisition Date"	the Adoption Date or, if later, the date on which the Leaver becomes a holder of C Ordinary Shares
"acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being
"Activation Notice"	a notice in writing served on the Company and the Managers' Representative by NVM pursuant to Article 14.3.3
"Adoption Date"	the date of adoption of these Articles
"A Ordinary Shares"	the A ordinary shares of £0.01 each in the capital of the Company having the rights set out in these Articles

"these Articles"	these Articles of Association as amended from time to time
"Auditors"	the auditors to the Company for the time being
"Bad Leaver"	any Leaver who is not a Good Leaver
"Board"	the board of directors of the Company from time to time
"B Ordinary Shares"	the B ordinary shares of £0.001 each in the capital of the Company having rights set out in these Articles
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business
"Called Shareholders"	has the meaning given to that term at Article 23.1
"Cash Equivalent"	<p>(a) where the consideration comprises listed securities, the value attributed to such shares in the agreement setting out the terms of such sale or, failing such attribution in the sale and purchase agreement the average of the middle market prices at which transactions took place over the 5 dealing days prior to the Exit Date; or</p> <p>(b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed unconditionally by an authorised UK bank, the face value thereof; or</p> <p>(c) where the consideration comprises unlisted securities or other instruments not guaranteed as aforesaid, such amount as the members shall agree to be the value thereof; or</p> <p>(d) where the consideration comprises future, fixed or contingent payments, such amount as the members shall agree to be</p>

the present value thereof;

provided that if an Investor Majority and the Managers' Majority shall not be able to agree the value of the Cash Equivalent in accordance with the above provision then the dispute shall be referred to the Independent Accountants who shall determine the dispute in accordance with **Article 22**

"Commencement Date"	the date of the first Relevant Cash Inflow
"Controlling Interest"	an interest (as defined in section 820 to 825 of the 2006 Act) in shares in the Company conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company
"connected person"	the meaning given to that expression in section 993 of the Income Taxes Act 2007 and "connected with" shall be construed accordingly
"Conversion"	a conversion of A Ordinary Shares into B Ordinary Shares pursuant to Article 14.5.2
"Conversion Date"	the date and time on which A Ordinary Shares are to be converted into B Ordinary Shares in accordance with Article 14.5
"C Ordinary Shares"	the C ordinary shares of £0.01 each in the capital of the Company having rights set out in these Articles
"Deemed Transfer Notice"	has the meaning given to that term at Article 24.2
"Drag Along Notice"	has the meaning given to that term at Article 23.1
"Drag Along Option"	has the meaning given to that term at Article 23.1
"electronic address"	any address or number used for the purposes of sending or receiving documents or information by electronic means

"Equity Shares"

the A Ordinary Shares and the C Ordinary Shares (but excluding for the avoidance of doubt the B Ordinary Shares)

"Event of Default"

any circumstance where:

- (a) there is a material breach of the Investment Agreement or these Articles by either the Company or any Manager which is irremediable or if remediable is not remedied within 14 days from the time the Investor Director has served notice requiring the breach to be remedied; and/or
- (b) there is an event of default (as defined in the Facility Agreement) and/or a breach or an anticipated breach by the Company or any other Group Company of the Facility Agreement or any of the financial covenants set out in the Facility Agreement; and/or
- (c) there is an event of default (as defined in the Loan Notes) and/or a material breach by the Company of the Loan Notes which is irremediable or if remediable is not remedied within 14 days from the time the Investor Director has served notice requiring the breach to be remedied and/or
- (d) there is an Underperformance Event.

"Exit"

a Relevant Sale, Listing, or a Relevant Asset Sale

"Exit Capitalisation"

- (a) the aggregate amount paid (or the Cash Equivalent thereof) in respect of the Equity Shares less the reasonable costs of the Relevant Sale; or
- (b) the aggregate capitalisation of the Equity Shares at the price per share at which Equity Shares are sold (in any offer for sale, placing tender offer or otherwise) in the Listing, and/or to the extent that

there is no such sale, the valuation of such Equity Shares as are not sold at the Exit Date as made by the Company's brokers; or

- (c) on a Relevant Asset Sale, the consideration paid (or the Cash Equivalent thereof) for the assets subject to the Relevant Asset Sale plus the consolidated net asset value of all other assets of the Company and its subsidiaries not subject to the Relevant Sale as agreed by an Investor Majority and the Managers' Majority less any costs borne by the holders of A Ordinary Shares and the C Ordinary Shares;

provided that if an Investor Majority and the Managers' Majority shall not be able to agree the value of the Exit Capitalisation in accordance with the above paragraph (c) then the dispute shall be referred to the Independent Accountants who shall determine the dispute in accordance with **Article 35**

"Exit Date"	the date when the Exit completes or becomes effective
"Facility Agreement"	has the meaning in the Investment Agreement
"Facility Documents"	has the meaning in the Investment Agreement
"Fair Value"	for the purposes of these Articles means the amount agreed between the Board (with Investor Consent) and the Seller or, in the absence of agreement within 10 Business Days of the Transfer Event, as determined by the Independent Accountants in accordance with Article 35
"Family Member"	the wife or husband or civil partner (or widow or widower or surviving civil partner), children and grandchildren (including step and adopted children and grandchildren) of a holder of shares of the

Company

"Family Trust"

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

"Financial Year"

an accounting period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the 2006 Act

"First Slice Maximum"

means the lowest amount of Exit Capitalisation which would when divided amongst holders of Equity Shares, and attributing the First Slice Proportion to the A Ordinary Shares, provide the Investor Target Return on the A Ordinary Shares

"First Slice Proportion"

means the following proportion:

$$\frac{A}{B}$$

where A is the number of A Ordinary Shares then in issue and B is the number of Equity Shares then in issue (disregarding for this purpose conversions of A Ordinary Shares occurring on Exit)

"FSMA"

the Financial Services and Markets Act 2000 (as amended from time to time)

"Good Leaver"

- (a) a person who is a Leaver as a result of:
 - (i) death; or
 - (ii) retirement at 65 years of age or more; or
 - (iii) Serious Ill Health; or
- (b) any person whom the Board, with Investor Consent, determine is a Good

Leaver

"Group"	the Company and its subsidiary undertakings (as defined at section 1162 of the 2006 Act) from time to time and references to "member of the Group" and "Group Company" is to be construed accordingly
"holder"	in respect of any share in the capital of the Company, the person or persons for the time being registered by the Company as the holders of that share
"Independent Accountants"	a firm of chartered accountants agreed between the Company and NVM or, in default of agreement, appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales of the first to apply
"Inter-Creditor Deed"	the Inter-Creditor Deed made on or around Adoption Date between (amongst others) HSBC plc, the Investors and the Company regulating the respective security rights and obligations of such parties
"Investment Agreement"	the investment agreement dated on the Adoption Date and made between the Company, the Managers (as defined therein), the Investors (as defined therein), and NVM, as may be supplemented, varied or amended or replaced from time to time
"Investment Date"	the date of completion of the Investment Agreement
"Investor Associate"	means members of an Investor Group and any company or fund (including any unit trust or investment trust) or partnership (including a limited partnership) which is advised, or the assets of which are managed, (whether solely or jointly with others) from time to time by any Investor or any member of its Investor Group or the Lead Investor or by any person who advises or manages the assets (or some material part thereof) of that Investor or any member of its

	Investor Group
"Investor Consent"	the consent in writing of NVM or an Investor Majority
"Investor Covenant"	the deed of covenant relating to the financial performance of the Company entered into on the Investment Date by the Company in favour of the Investors as may be supplemented, varied, amended or replaced from time to time
"Investor Director"	a director appointed pursuant to Article 10.1 as the Investor Director
"Investor Capitalisation"	<p>Exit means either:</p> <ul style="list-style-type: none"> (a) the First Slice Proportion of the First Slice Maximum; or (b) where the Exit Capitalisation exceeds the First Slice Maximum, the Second Slice Proportion of the Exit Capitalisation
"Investor Group"	<p>in relation to each Investor:</p> <ul style="list-style-type: none"> (a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor (each a "Relevant Person"); or (b) any partnership (or the partners in any such partnership) of which any Relevant Person is general partner, manager, consultant or adviser; or (c) any unit trust or other fund of which any Relevant Person is trustee, manager, consultant or adviser, or (d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person; or (e) any nominee or trustee of any Relevant Person; or (f) any person or firm, authority or

organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person including any person who becomes a manager or adviser of an Investor in place of or in addition to such Investor, or

- (g) any co-investment scheme, being a scheme under which certain officers, employees or partners of a Relevant Person or its adviser or manager are entitled or required (as individuals or through a body corporate or any other vehicle) to acquire shares which the Relevant Person would otherwise acquire or has acquired

"Investor Majority"

the holders of more than 75% of the A Ordinary Shares for the time being (whether through nominees or otherwise)

"Investors"

the "Investors" as defined in the Investment Agreement (including any additional or replacement "Investor" who is joined as an "Investor" in a deed of adherence executed in accordance with the Investment Agreement)

"Investors' IRR"

The aggregate internal rate of return (expressed as an annual percentage) actually achieved by the holders of the A Ordinary Shares, the holders of the B Ordinary Shares and the holders of the Loan Notes in relation to an Exit such rate being calculated in accordance with generally accepted venture capital industry practice taking into account all Relevant Cash Inflows, and agreed between an Investor Majority and the Managers' Majority or in the absence of agreement as determined by an independent valuer appointed by an Investor Majority (acting as expert and not as arbitrator) whose report shall be binding on the Company and all shareholders and the costs of whose report shall be borne by the holders of

	Equity Shares pro rata to their holdings of Equity Shares
"Investor Sellers"	has the meaning given to that term in Article 23.6
"Investor Target Return"	<p>(a) an Investors' IRR of 23%; and</p> <p>(b) the Relevant Cash Inflows exceed two times the Relevant Cash Outflows</p>
"Issue Price"	in respect of a share in the capital of the Company, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium
"Joint Election"	a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003 in a form approved by the Investors, such approval being evidenced by the delivery of Investor Consent
"Leaver"	<p>a holder who:</p> <p>(a) is an individual; and</p> <p>(b) is or was previously a director or employee of a member of the Group; and</p> <p>(c) ceases to hold such office or employment and as a consequence is no longer a director or employee of any member of the Group;</p>
"Listing"	the admission by the Financial Services Authority in its capacity as the UK Listing Authority of any part of the share capital of the Company to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any part of the share capital of the Company to trading on the Alternative Investment Market of London Stock Exchange plc or the admission by any recognised investment exchange of any part of the share capital of the Company, and, in each case, such admission becoming effective
"Loan Notes"	the £3,650,000 secured variable rate loan notes of

	the Company constituted by the Loan Note Instrument
"Loan Note Instrument"	the loan note instrument issued by the Company on the Adoption Date constituting the Loan Notes, as the same may be amended, supplemented, varied or replaced from time to time
"Managers"	the "Managers" as defined in the Investment Agreement (including any additional or replacement "Manager" who is joined as a "Manager" in a deed of adherence executed in accordance with the Investment Agreement)
"Managers Majority"	the holders of more than 50% of the C Ordinary Shares for the time being (whether through nominees or otherwise)
"Managers' Representative"	the representative of the Managers appointed pursuant to Article 14.3.5
"NVM"	NVM Private Equity Limited (company number 02201762) whilst it acts as general partner or manager of Investors holding (in aggregate) an Investor Majority
"recognised investment exchange"	has the meaning given to the expression in section 285(1) FSMA
"Refinancing"	means the raising by the Company or any Group Company (including for these purposes any company that becomes a holding company of the Company or any Group Company) of equity finance (whether by way of the issue of shares, options over any rights in any share capital of the Company or any Group Company of whatsoever nature (other than options to be granted to employers or directors of any Group Company)) or debt finance (whether by bank facility or the issue of loan stock or otherwise but excluding hire purchase and operating lease commitments) in each case following the date of adoption of these Articles for any purpose other than for working capital required in the ordinary course of business

"Relevant Asset Sale"	means a sale of the whole or substantially the whole of the trading assets or trading subsidiaries of the Group
"Relevant Cash Inflows"	means in relation to an Exit, the Exit Capitalisation attributable to the A Ordinary Shares, the B Ordinary Shares and all repayments, pre payments, redemptions or repurchases of the Loan Notes, all dividends or other distributions paid on the A Ordinary Shares, the B Ordinary Shares and all interest payments paid on the Loan Notes on or prior to the Exit Date
"Relevant Cash Outflows"	means the price (including any premium) paid on the allotment and issue or other acquisition of the A Ordinary Shares, the B Ordinary Shares and the subscription price for the Loan Notes
"Relevant Conditions"	has the meaning given to it in Article 18.6
"Relevant Conversion Number"	such number of A Ordinary Shares if any which, if converted on the Exit Date into B Ordinary Shares, would ensure that the proportion which the number of A Ordinary Shares after such conversion bears to the total number of Equity Shares is the same as the proportion that the Investor Exit Capitalisation bears to the total Exit Capitalisation
"Relevant Sale"	the transfer (other than a transfer permitted under Articles 21.1, 21.2, 21.3.1 or 21.3.2) of any interest in shares to any person (whether by one transaction or by a series of transactions) resulting in that person alone or together with persons acting in concert with such person having the right to exercise a Controlling Interest
"Remuneration Committee"	means the remuneration committee of the Company constituted in accordance with the terms of the Investment Agreement
"Sale Price"	has the meaning given to that term at Article 24.3.2.
"Second Slice Proportion"	where the Exit Capitalisation exceeds the First Slice Maximum, the following proportions of the Exit

Capitalisation attributable to the Investors:

- 46.5% of the First Slice Maximum; and
- 43% of the amount by which the Exit Capitalisation exceeds the First Slice Maximum,

provided always that the minimum amount received by the Investors under the Second Slice Proportion cannot be less than the First Slice Proportion

"Seller"

a holder of shares who wishes, or is required, to transfer shares or any beneficial interest therein to a person to whom **Article 21** does not apply

"Serious Ill Health"

an illness or disability certified by a general medical practitioner (nominated or approved by the Investor Majority) as rendering the departing person permanently incapable of carrying out his role as an employee and/or director save where such incapacity has arisen as a result of the abuse of drugs or alcohol

"Shares"

the Equity Shares and the B Ordinary Shares

"the Statutes"

the Companies Act as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company

"Transfer Event"

has the meaning given to that term at **Article 24**

"Transfer Price"

in relation to a Transfer Notice given under a voluntary transfer pursuant to **Article 22**, the Transfer Price (as stated in the Transfer Notice), or in the case of a Deemed Transfer Notice as determined in accordance with **Article 24.4**

"Underperformance Event"

a breach of the Investor Covenant

"Venture Capitalist"

means any person or firm or partnership whose business comprises to a material extent the holding for investment purposes of unlisted

securities in United Kingdom private companies and includes any nominee, custodian or manager used by any such person, firm or partnership to hold such investments

- 2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company) or the Investment Agreement.
- 2.3 References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision.
- 2.4 Where the word “address” appears in these Articles it is deemed to include postal address and, where applicable, electronic address.

PROCEEDINGS OF DIRECTORS

3. UNANIMOUS DECISIONS OF DIRECTORS

- 3.1 A decision of the directors may take the form of a resolution in writing, where each eligible director has signed one or more copies of it, or to which each eligible director has otherwise indicated agreement in writing. Model Article 8(2) shall not apply to the Company.

4. CALLING A DIRECTOR’S MEETING

- 4.1 Any director may call a directors’ meeting by giving not less than 21 days’ notice of the meeting (or such lesser notice as an Investor Directors may agree) to the directors or by authorising the company secretary (if any) to give such notice. Model Article 9(1) shall not apply to the Company.
- 4.2 Notice of a directors’ meeting shall be given to each director in writing. Model Article 9(3) shall not apply to the Company.

5. REMOVAL OF DIRECTORS

The office of any Director shall be vacated if

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

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

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

6. **PARTICIPATION IN DIRECTORS' MEETINGS**

6.1 Subject to these Articles, directors participate in a directors' meeting, or part of a directors' meeting, when:

6.1.1 the meeting has been called and takes place in accordance with these Articles; and

6.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.

6.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 6.1.2**, how they communicate with each other.

If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

6.3 Model Article 10 shall not apply to the Company.

6.4 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".

7. **QUORUM FOR DIRECTORS' MEETINGS**

7.1 Subject to **Article 10.7.1**, the quorum for directors' meetings shall throughout each meeting be two directors one of whom must, subject to **Article 7.2**, be the Investor Director (if appointed) and one of whom must be an executive director

7.2 In relation to any meeting of the directors to consider whether to authorise a conflict of interest of an Investor Director:

7.2.1 it shall not be necessary for an Investor Director to be present in person or by proxy in order to constitute a quorum;

7.2.2 the meeting shall not deal with any other business other than that of the consideration of the conflict of interest of an Investor Director; and

7.2.3 the quorum for such meeting shall be one and Model Article 11(2) is varied accordingly.

7.3 Without prejudice to **Article 7.2**, if, and as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a meeting of the directors the following apply:

7.3.1 if the eligible directors participating in the meeting do not constitute a quorum, then the quorum for the purposes of the meeting shall be one which must be, other than a meeting pursuant to **Article 7.2**, an Investor Director (if appointed) and Model Article 11(2) is varied accordingly; and

7.3.2 if, notwithstanding **Article 7.3.1**, the eligible directors participating in the meeting still do not constitute a quorum, then the meeting must be adjourned to enable the holders of the Shares to authorise any situation in which a director has a conflict of interest.

8. **DIRECTORS' INTERESTS**

8.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director (including an Investor Director) notwithstanding his office, but, in the case of directors other than an Investor Director, subject always to obtaining Investor Consent:

8.1.1 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;

8.1.2 may hold any other office or employment with the Company (other than the office of auditor);

8.1.3 may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;

8.1.4 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 (other than as auditor); and

8.1.5 shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Articles 8.1.1 to 8.1.4** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.

8.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which the director or any other interested director may have or where the terms of authorisation of such conflict of interest provide that the director

may not vote in situations prescribed by the Board when granting such authorisation, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Articles 8.1.1 to 8.1.4** (inclusive) and in any of the circumstances set out in Model Articles 14(3) and 14(4)

8.3 For the purposes of Article 8.1:

8.3.1 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;

8.3.2 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

8.3.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force at the date of adoption of these Articles) 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.

8.4 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.

9. AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST

9.1 Any approval of a conflict of interest (other than a conflict of interest of an Investor Director or the Chairman) pursuant to **Article 8** will be subject, in addition to board authorisation pursuant to section 175 of the 2006 Act, to obtaining the prior consent in writing of the Investor Majority who may specify that certain conditions or limitations be attached to such authorisation. Any such board authorisation pursuant to section 175 of the 2006 Act which is given without obtaining the prior consent in writing of the Investor Majority or without such conditions attaching to the authorisation as specified by the Investor Majority will be ineffective.

9.2 Any conflict of interest of an Investor Director or the Chairman may be authorised either by way of authorisation of the Board as set out at section 175 of the 2006 Act or by way of resolution of the holders of the Shares. Any refusal of the Board to authorise such conflict of interest will not in any way affect the

validity of a resolution of the holders of the Shares to authorise such conflict of interest

- 9.3 An Investor Director will not be in breach of his duty under sections 172, 174 and 175 of the 2006 Act or the authorisation given by this **Article 9** by reason only that he receives confidential information from a third party relating to a conflict of interest which has been authorised by this **Article 9** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs.

10. **INVESTOR DIRECTORS AND CHAIRMAN**

- 10.1 An Investor Majority may from time to time appoint one person to be a director with the title of investor director (the "**Investor Director**" which expression shall, where the context so permits, include a duly appointed alternate of such a director) and from time to time remove an Investor Director from office
- 10.2 Any appointment or removal of an Investor Director shall be in writing served on the Company signed by an Investor Majority and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier. Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative.
- 10.3 Notice of meetings of the Board shall be served on any Investor Director who is absent from the United Kingdom at the address for service of notice of NVM under the Investment Agreement.
- 10.4 Upon written request by an Investor Majority the Company shall procure that any Investor Director as is specified in the request is forthwith appointed as a director of any other member of the Group to any committee of the Board or the board of any member of the Group.
- 10.5 Where any decision is to be made by any member of the Group in relation to the exercise, enforcement or waiver of its rights under the Acquisition Agreement (as defined in the Investment Agreement) or against any holder of C Ordinary Shares or any director or person connected with any such holder or director, any such decision shall be within the exclusive power of the Investor Directors in office (to the exclusion of the other directors but after consultation with a majority thereof) who shall have (without limitation) exclusive authority in relation to the conduct of any proceedings of whatever nature arising in connection with any such rights and no other director shall have power to settle or compromise any such claim.
- 10.6 An Investor Majority may from time to time, in addition to the Investor Director, appoint any person to be a non-executive director and the chairman of the Board ("**Chairman**") and remove from the office of chairman and director a person so appointed. **Article 10.2** shall apply to any such appointment or removal mutatis

mutandis Model Articles 12, 17(1) and 18 shall be modified accordingly The fee payable to the Chairman shall be at such rate agreed between the Board and the Chairman

10.7 If the provisions of **Article 14.3.4** apply:

10.7.1 the quorum for directors' meeting shall be one who must be an Investor Director; and

10.7.2 the Investor Director(s) in office shall be entitled to exercise such number of votes at any meeting of the Board or of any committee of which he or they are a member which is equal to one vote more than half of the total number of votes exercisable at such a meeting.

11. **CASTING VOTE**

The Chairman shall not have a casting vote. Model Articles 13(1) and 13(2) shall not apply to the Company.

12. **ALTERNATE DIRECTORS**

12.1 **Appointment and removal of alternates**

12.1.1 Any director (the "appointor") may appoint as an alternate any other director, or, with Investor Consent, any other person, to

12.1.1.1 exercise that director's powers, and

12.1.1.2 carry out that director's responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate's appointor.

12.1.2 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.

12.1.3 The notice must:

12.1.3.1 identify the proposed alternate, and

12.1.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the director giving the notice.

12.2 Rights and responsibilities of alternate directors

12.2.1 An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate's appointor.

12.2.2 An alternate director may act as an alternate director for more than one appointor.

12.2.3 Except as these Articles specify otherwise, alternate directors:

12.2.3.1 are deemed for all purposes to be directors;

12.2.3.2 are liable for their own acts and omissions;

12.2.3.3 are subject to the same restrictions as their appointors;
and

12.2.3.4 are not deemed to be agents of or for their appointors.

and, 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.

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

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

12.2.4.2 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).

No alternate may be counted as more than one director for such purposes.

12.2.5 A director who is also an alternate director is entitled, in his 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.

12.2.6 An alternate director is not 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

12.3 Termination of alternate directorship

12.3.1 An alternate director's appointment as alternate terminates

12.3.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;

12.3.1.2 on the occurrence in relation to the alternate of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a director;

12.3.1.3 on the death of the alternate's appointor; or

12.3.1.4 when the alternate's appointor's appointment as a director terminates.

13. ALTERNATE DIRECTORS' EXPENSES

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

SHARE RIGHTS

14 EQUITY SHARES

The Equity Shares shall (save as set out in **Article 14.5** (Conversion)) be treated pari passu and as if they constituted one class of share. The rights attached to the Equity Shares are as follows:

14.1 Dividends

Subject to the terms of the Inter-Creditor Deed and provided that there is no outstanding and unremedied Event of Default or Underperformance Event and no Loan Notes are outstanding, any profits which the Company determines to distribute in respect of any Financial Year shall, subject to Investor Consent, be applied in distributing the balance of such profits amongst the holders of the Equity Shares then in issue pari passu according to the number of such Equity Shares held by them respectively as if they constituted one class of share.

14.2 Capital

On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be applied, in paying to each holder of Equity Share:

- 14.2.1 firstly, any dividends thereon which have been declared but are unpaid;
- 14.2.2 secondly, an amount equal to the Issue Price of each Equity Share held by him;
- 14.2.3 thirdly, the sum of £1,000,000 (or, if less, such part thereof as can be paid to the holders of Equity Shares if the total balance of surplus assets were divided by the total number of Equity Shares in issue) per Equity Share held by him; and
- 14.2.4 thereafter, and subject to the payments of the amounts due to the holders of the B Ordinary Shares pursuant to **Article 15.2**, in distributing the balance of such assets amongst the holders of the Equity Shares and B Ordinary Shares (pari passu as if they constituted one class of share) in proportion to the numbers of the Equity Shares and B Ordinary Shares held by them respectively.

14.3 Voting

- 14.3.1 Subject to **Articles 14.3.2 to 14.3.8** (inclusive), the holders of the Equity Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holders of Equity Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote each, and, on a poll, shall have one vote for each Equity Share of which he is the holder.
- 14.3.2 The provisions of **Article 14.3.3** shall apply if:
 - 14.3.2.1 there has occurred any Event of Default which is continuing and remains unremedied; and
 - 14.3.2.2 an Investor Majority has not waived any such Event of Default.
- 14.3.3 If the circumstances stated at **Article 14.3.2** have occurred then the holders of the A Ordinary Shares shall be entitled but not obliged to serve an Activation Notice on the Company

- 14.3.4 Upon service of an Activation Notice the voting rights attaching to the C Ordinary Shares shall forthwith and without any further notice or resolution of the shareholders be suspended and shall remain suspended until all Event of Default(s) have been remedied to the reasonable satisfaction of, or have been waived by, an Investor Majority, such remedy or waiver to be signified by written notice to that effect from an Investor Majority to the Company and the Managers' Representative.
- 14.3.5 The holders of a majority of the C Ordinary Shares shall appoint by notice in writing to the Company and NVM one of their member to be their representative for the purposes of receiving service of an Activation Notice under **Article 14.3.4**. Any Managers' Representative may be removed and replaced by another holder of C Ordinary Shares by like notice in writing.
- 14.3.6 For the avoidance of doubt during the period whilst the voting rights attaching to C Ordinary Shares have been suspended pursuant to an Activation Notice:
- 14.3.6.1 the holders of the C Ordinary Shares shall not be entitled to receive notice of or to attend and vote at general meetings of the members; and
- 14.3.6.2 the holders of A Ordinary Shares shall be entitled to:
- (a) pass written resolutions of the Company; and
- (b) consent to the holding of a general meeting of the Company on short notice,
- in either case, on the basis that all such holders would constitute the only holders who would be entitled to attend and vote at a general meeting of the Company.
- 14.3.7 For the avoidance of doubt, unless and until an Activation Notice has been served by an Investor Majority, the voting rights attaching to the A Ordinary Shares shall be restricted to a maximum of 48 per cent of the total voting rights capable of being cast at general meetings of the Company.
- 14.3.8 The holders of the A Ordinary Shares may, subject always to the remaining provisions of these Articles, but without the requirement to obtain the consent of the Company, any holder of Shares or any other party, transfer in whole or in part, and upon such other terms as the holders of the A Ordinary Shares may reasonably determine, the

voting rights attaching to some or all of the A Ordinary Shares registered in their name.

14.3.9 The transfer of voting rights attaching to the A Ordinary Shares pursuant to **Article 14.3.8** shall be effected by notice in writing to the Company and may be revoked at any time by similar notice.

14.4 **Exit**

On an Exit the holders of the Equity Shares shall be entitled to receive the amounts determined in accordance with **Article 16**.

14.5 **Conversion**

14.5.1 If on an Exit, the Exit Capitalisation exceeds the First Slice Maximum, then immediately prior to such Exit occurring the Relevant Conversion Number of A Ordinary Shares shall be forthwith automatically converted into an equal number of B Ordinary Shares. If there is more than one holder of A Ordinary Shares at the time of conversion then such conversions shall take place pro rata as nearly as may be to the holding of each such holders.

15. **B ORDINARY SHARES**

The rights attached to the B Ordinary Shares are as follows:

15.1 **Dividends**

The B Ordinary Shares shall have no right to a dividend or to otherwise participate in any distribution made, paid or declared in respect of the Shares.

15.2 **Capital**

On a return of capital on liquidation or capital reduction or otherwise, the holders of the B Ordinary Shares shall be entitled to receive out of the surplus assets of the Company remaining after the payment of its liabilities but subject always to the holders of the Equity Shares receiving an amount equal to £1,000,000 per Equity Share, the nominal value of each such B Ordinary Share.

15.3 **Voting**

The holders of the B Ordinary Shares shall not (in their capacity as holders of Deferred Shares) be entitled to receive notice of and shall have no rights to attend and speak at any general meetings of the Company.

15.4 **Exit**

On an Exit the holders of the B Ordinary Shares shall be entitled to receive the amounts determined in accordance with **Article 16**.

16. **EXIT**

16.1 In the event of Exit then, notwithstanding anything to the contrary in the terms and conditions governing such Exit the members (immediately prior to such Exit) shall procure that such action is taken to reorganise the share capital of the Company to ensure that upon completion of such Exit the consideration receivable by the shareholders pursuant to such Exit (whenever received) and/or the value of shares retained by the shareholders, is, subject always to the repayment in full of all capital and interest (including without limitation any default interest) under the Loan Notes, distributed amongst the members in the following manner:

16.1.1 firstly, in paying any dividends which have been declared but are unpaid on each Equity Share,

16.1.2 secondly, in paying an amount equal to the Issue Price of each Equity Share;

16.1.3 thirdly, in paying an amount equal to £1,000,000 on each Equity Share;

16.1.4 and thereafter in distributing the balance of any remaining consideration amongst the holders of the Equity Shares and B Ordinary Shares (pari passu as if they constituted one class of share) in proportion to the numbers of the Equity Shares and B Ordinary Shares held by them respectively.

16.2 In order to give effect to the distribution referred to in **Article 16.1** any consideration paid or payable in respect of an Exit shall be paid into a separate account and then distributed accordingly.

16.3 Immediately prior to and conditionally upon a Listing all holders of shares shall enter into such reorganisation of the share capital of the Company as they may agree to ensure that sums referred to in **Article 16.1** are allocated between all holders of Equity Shares in such proportions set out in **Article 16.1**.

17. **FACILITY DOCUMENTS**

The payment of any dividends or redemption of any shares shall be subject to any provisions restricting the same in the Facility Documents

18. VARIATION OF RIGHTS

- 18.1 Subject to **Articles 14.3.5** and **18.2**, the rights from time to time respectively attached to different classes of share from time to time in issue may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of at least three-quarters in nominal value of the issued shares of that class or with the sanction of a special resolution passed at a separate general meeting of the holders of that class.
- 18.2 In the case of the C Ordinary Shares, if the Relevant Conditions are satisfied, the special rights attaching to the C Ordinary Shares may be varied or abrogated with the consent in writing of the holders of over one-half in nominal value of the issued shares of that class or with the sanction of an ordinary resolution passed at a separate general meeting of the holders of that class.
- 18.3 For each such separate general meeting referred to in **Articles 18.1** and **18.2**, all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply mutatis mutandis, but so that the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative and holding or representing not less than one-third in nominal value of the issued shares of the relevant class, that every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him and that any holder of shares of the class present in person or by proxy or (being a corporation) by a duly authorised representative may demand a poll. For the purpose of this Article one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.
- 18.4 The special rights attached to the A Ordinary Shares and B Ordinary Shares shall, with the intent that this **Article 18.4** shall create rights attaching to such class of share for the purposes of section 630 of the 2006 Act, be deemed to be varied by any of the actions referred to below. Investor Consent shall be required for every such action and the Company shall not permit any of them to be carried out or agreed to be carried out without such Investor Consent (including, where necessary through the exercise of its voting rights and other powers of control over any subsidiaries). The actions are:
- 18.4.1 any variation in the issued share capital of the Company or any Group Company or the creation or the granting of any options or other rights to subscribe for, or convert into, shares of the Company or any Group Company or the variation of the rights attaching to such shares;
- 18.4.2 the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or the purchase by the Company of any of its own shares;

- 18.4.3 the amendment of any provisions of the Articles of association of the Company or any Group Company;
- 18.4.4 the redemption of any Loan Notes of the Company other than on a redemption in accordance with the terms of the Loan Notes;
- 18.4.5 the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company;
- 18.4.6 the taking of any steps to wind up the Company or any other Group Company;
- 18.4.7 any disposal of the whole or substantially the whole of the business of the Company or any Group Company or any of the shares in any Group Company;
- 18.4.8 the declaration, making or payment of any dividend or other distribution to the holders of the shares other than as expressly permitted under the Articles;
- 18.4.9 any change in the accounting reference date of the Company;
- 18.4.10 the appointment or removal of auditors to the Company (other than reappointment of an existing auditor);
- 18.4.11 the appointment or removal of any director or chairman of the Company;
- 18.4.12 the acquisition of any interest in any share in the capital of any company by any Group Company;
- 18.4.13 the establishment of any employee share option scheme;
- 18.4.14 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the A Ordinary Shares or B Ordinary Shares;
- 18.4.15 the creation by any Group Company of any mortgage, charge, pledge, lien, encumbrance or other security interest (excluding an interest arising by operation of law in the ordinary course of business or as required by the Facility Documents); or
- 18.4.16 any Listing.

18.5 None of the following events shall constitute a variation or abrogation of the rights attaching to any class of shares other than the rights of the holders of the A Ordinary Shares and B Ordinary Shares:

18.5.1 the allotment of any shares which will rank pari passu in all respects with any existing class of shares;

18.5.2 an offer to the holders of any class of shares of the right to receive new shares of that class, credited as fully paid, instead of the whole or any part of a cash dividend specified by the Board; or

18.5.3 any amendment to these Articles where authorised by special resolution of the Company.

18.6 For the purposes of this **Article 18**, the Relevant Conditions are as follows:

18.6.1 any of the matters set out in **Article 14.3.2** have occurred or subsist, in accordance with their terms; and

18.6.2 the proposed variation, amendment or replacement of the special rights attaching to the C Ordinary Shares (taking into account any proposed variation, amendment or replacement of the special rights attached to the A Ordinary Shares or the B Ordinary Shares which is to be made at the same time as the proposed variation, amendment or replacement of the special rights to the C Ordinary Shares) is not discriminatory as between the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares.

19. **ALLOTMENT OF SHARES**

19.1 The directors shall not allot any shares unless notice in writing is given to each holder specifying:

19.1.1 the number and classes of shares which are proposed to be issued;

19.1.2 the consideration payable on such issue; and

19.1.3 any other material terms or conditions.

19.2 The notice specified in **Article 19.1** shall invite each holder to state, in writing within 10 Business Days from the date of such notice (which date shall be specified therein), whether he/it is will to subscribe for any, and if so, how many shares.

19.3 The shares proposed to be issued pursuant to **Article 19.1** shall be issued to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of Shares ("**Proportionate Element**"). It shall be open to each such

holder to specify if he/it is willing to subscribe for shares in excess of his/its Proportionate Element ("**Additional Shares**") and, if the holder does so specify, he/it shall state the number of Additional Shares.

19.4 Within three Business Days of the expiry of the invitation made pursuant to the notice given under **Article 19.1** (or sooner if all holders have responded to the invitation and all the shares proposed to be issued have been accepted in the manner provided in **Article 19.3**), the Board shall allocate the shares in the following manner:

19.4.1 if the total number of shares applied for is equal to or less than the available number of shares to be issued the Company shall allocate the number applied for in accordance with the applications; or

19.4.2 if the total number of shares applied for is more than the available number of shares to be issued, each holder shall be allocated his/its Proportionate Element (or such lesser number of shares to be issued for which he/it may have applied) applications for Additional Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Additional Shares in his/its Proportionate Element,

and in either case the Company shall forthwith give notice of each such allocation (an "**Issue Notice**") to each of the persons to whom shares are to be issued (a "**Member Subscriber**") and shall specify in the Issue Notice the time (being not later than ten Business Days after the date of the Issue Notice) at which the allotment of the shares shall be made

19.5 Upon such allocations being made as set out in **Article 19.4**, the Board shall be bound, on payment of the subscription price, to issue the shares comprised in the Issue Notice to the Member Subscriber named therein at the time therein specified free from any lien, charge or encumbrance

19.6 Notwithstanding any other provisions of this **Article 19**, no Shares shall be allotted to any party not bound by the Investment Agreement unless that party has first entered into a deed of adherence if so required by the Investment Agreement and (where applicable) a Joint Election.

19.7 The provisions of **Articles 19.2 to 19.4** (inclusive) shall have no application if the provisions of **Article 14.3.4** apply and shall have no application to any holder to whom the provisions of **Articles 14.3.8 and 14.3.9** apply.

19.8 If any share is allotted to a holder holding shares of a different class, such shares shall as on and from the time of registration of the allotment of that share in the register of members of the Company be immediately redesignated

as a share of the same class as those already held by that holder prior to such allotment.

19.9 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act shall not apply to the Company.

19.10 Shares may be issued by the Company which are nil, partly or fully paid. Model Article 21 (1) shall not apply to the Company.

TRANSFER OF SHARES

20. GENERAL

20.1 No transfer of any share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has, if so required by the terms of the Investment Agreement, first entered into a deed of adherence pursuant to the Investment Agreement and, if so required by the Investor Majority, first entered into a Joint Election which has also been signed by the Company. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of shares on which the Company has a lien (ii) the transfer is to a minor or (iii):

20.1 1 the transfer is to be made to more than four joint transferees; or

20.1.2 the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.

20.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer by a holder of shares in the Company:

20 2.1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and

20.2.2 any sale or any other disposition of any legal or equitable interest in a share (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by a written instrument

21. PERMITTED TRANSFERS

Notwithstanding the provisions of any other Article, the transfers set out in this **Article 21** shall be permitted without restriction and the provisions of **Articles 35** (Voluntary Transfers) and **23** (Change of Control) shall have no application.

21.1 Permitted transfers by Investors

- 21.1.1 Any Investor who is a body corporate shall be entitled to transfer all or any of its shares to any other body corporate which is for the time being its subsidiary or holding company or another subsidiary of its holding company (each such body corporate being a **"Related Company"**) but if a Related Company whilst it is a holder of shares in the Company shall cease to be a Related Company in relation to the body first holding the relevant shares it shall, within 15 Business Days of so ceasing, transfer the shares held by it to such body or any Related Company of such body and failing such transfer the holder shall be deemed to have given a Transfer Notice pursuant to **Articles 22 and 24**.
- 21.1.2 Any Investor may with Investor Consent transfer all or any of its shares to any person, body, firm or partnership whose business comprises to a material extent the holding for investment purposes of securities in and/or the provision of debt and other financial facilities to United Kingdom unlisted companies and includes any subsidiary, nominee, custodian or manager used by such person, firm or partnership to hold such investments or to make available such facilities.
- 21.1.3 Any Investor may with Investor Consent transfer any share to any investment trust company whose shares are listed on a recognised investment exchange which is also managed by such Investor or the manager of such Investor or by a holding company of such management company or any subsidiary company of such holding company.
- 21.1.4 Any Investor may transfer shares to any party of a limited partnership (or their nominees) acting in such capacity (provided such transfer is made in accordance with the fund or partnership agreement governing such entity or partnership) or to the holders of units in a unit trust (or their nominees) on a distribution in kind or otherwise under the relevant partnership agreement or trust deed.
- 21.1.5 Any shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of section 235 of FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question.
- 21.1.6 Any Investor may transfer any shares to the beneficial owner of the shares, including, without limitation, to any person who becomes a

general partner, nominee or trustee for a limited partnership, unit trust or investment trust in place of, or in addition to, such Investor.

21.1.7 Any share may with Investor Consent be transferred to a Venture Capitalist.

21.1.8 Any share may, with Investor consent, be transferred to a Syndicatee in accordance with and as defined in **clause 18** of the Investment Agreement.

21.2 Permitted Transfers by non-Investors

21.2.1 Subject to **Articles 21.2.2 to 21.2.6** inclusive and subject always to Investor Consent, any holder who is an individual may at any time transfer shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be:

21.2.1.1 a Family Member of his; or

21.2.1.2 trustees to be held under a Family Trust in relation to that individual

21.2.2 Subject to **Article 21.2.4**, no shares shall be transferred under **Article 21.2.1** by an individual who previously acquired those shares by way of transfer under **Article 21.2.1** save to another individual who is a Family Member of the original holder of such shares or to trustees to be held under a Family Trust in relation to the original holder of such shares.

21.2.3 No transfer of shares shall be made by a holder under **Article 21.2.1**:

21.2.3.1 unless in the case of a transfer under **Article 21.2.1.2**, Investor Consent has been provided to the Company that the Investors are satisfied:

(a) that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by any member of the Group; and

(b) with the terms of the instrument constituting such trust and with the identity of the trustees; and

21.2.3.2 if the proposed transfer will result in 50% or more of the shares originally held by the holder being held by that holder's Family Trust and Family Members.

21.2.4 Where shares are held by trustees under a Family Trust:

21.2.4.1 those shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved by an Investor Consent;

21.2.4.2 those shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under **Article 21.2.1** if he had remained the holder of them, and

21.2.4.3 if any of those shares cease to be held under a Family Trust (other than by virtue of a transfer made under **Articles 21.2.4.1** or **21.2.4.2**), the trustees shall be deemed to have given a Transfer Notice in respect of all the shares then held by those trustees pursuant to **Article 24**

21.2.5 If:

21.2.5.1 any person has acquired shares as a Family Member of a holder by way of one or more transfers permitted under this **Article 21.2**; and

21.2.5.2 that person ceases to be a Family Member of that holder

that person shall forthwith transfer all the shares then held by that person back to that holder, for such consideration as they agree, within 15 Business Days of the cessation, or, failing such transfer within that period, shall be deemed to have given a Transfer Notice in respect of all the shares then held by that person pursuant to **Article 24**.

21.2.6 Subject to the provisions of **Article 24**, if the personal representatives of a deceased holder are permitted under these Articles to become registered as the holders of any of the deceased holder's shares and elect to do so, those shares may at any time be transferred by those personal representatives under **Article 21.2** to any person to whom the deceased holder could have transferred such shares under this Article if he had remained the holder of them. No other transfer of such shares by personal representatives shall be permitted under this **Article 21**

21.3 Permitted Transfers by all Shareholders

21.3.1 Subject to **Article 20.4.2** any holder may at any time transfer any shares, in accordance with the provisions of the Statutes, to the Company.

21.3.2 Any holder may at any time transfer all or any of his shares to any other person with the prior written consent of the Remuneration Committee and Investor Consent.

21.3.3 Any shares may be transferred pursuant to **Article 23** (Change of Control).

22. VOLUNTARY TRANSFERS

22.1 Except as permitted under **Article 21** any Seller who wishes to transfer shares shall give notice in writing (the "**Transfer Notice**") to the Company of his wish specifying:

22.1.1 the number and classes of shares (the "**Sale Shares**") which he wishes to transfer;

22.1.2 the name of any third party to whom he proposes to sell or transfer the Sale Shares; and

22.1.3 the price at which he wishes to transfer the Sale Shares (the "**Transfer Price**"),

Provided that no Transfer Notice which relates to C Ordinary Shares shall be served without Investor Consent.

22.2 The Seller may state in the Transfer Notice that he is only willing to transfer all the Sale Shares in which case no Sale Shares can be sold unless offers are received for all of them.

22.3 Where any Transfer Notice is deemed to have been given in accordance with these Articles all the shares registered in the name of the Seller shall be included for transfer, and the provisions of **Article 22.2** shall not apply.

22.4 No Transfer Notice or Deemed Transfer Notice once given or deemed to be given in accordance with these Articles shall be withdrawn unless the Seller is obliged to procure the making of an offer under **Articles 23.1 to 23.4** and is unable to procure the making of such an offer or the Investor Majority approves such withdrawal. In that event the Seller shall be entitled to withdraw such Transfer Notice without liability to any person, prior to completion of any transfer save that where the Investor Majority approves such withdrawal:

- 22.4.1 the Seller shall bear all costs relating to such Transfer Notice: and
- 22.4 2 the Company shall bear all costs relating to such Deemed Transfer Notice.
- 22.5 The Transfer Notice shall constitute the Company the agent of the Seller for the sale of the Sale Shares at the Transfer Price upon the following terms:
- 22.5.1 the price for each Sale Share is the Transfer Price, (save in the case of a Deemed Transfer Notice where the Transfer Price will be as determined in accordance with either **Article 24.3.2** or **Article 24.4**);
- 22.5.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 22.6 Each holder of Shares shall state, in writing within 20 Business Days from the date of such Transfer Notice (which date shall be specified therein), whether he is willing to purchase any and, if so, how many of the Sale Shares which shall, if he so wishes, include an amount in excess of his Proportionate Entitlement as mentioned in **Article 22.7.4**.
- 22.7 For the purposes of allocation of the Sale Shares, the Sale Shares shall be treated as offered:
- 22.7.1 in the first instance to all persons in the category set out in the corresponding line in column (2) in the table below;
- 22.7.2 to the extent not accepted by persons in column (2), to all persons in the category set out in the corresponding line in column (3);
- 22.7.3 to the extent not accepted by persons in column (3), to all persons in the category set out in the corresponding line in column (4) in the table below:

(1) Class of Sale Shares	(2) First Offer to	(3) Second Offer to	(4) Third Offer to
A Ordinary Shares	Holders of A Ordinary Shares	Holders of B Ordinary Shares	Holders of C Ordinary Shares
B Ordinary Shares	Holders of B Ordinary Shares	Holders of A Ordinary Shares	Holders of C Ordinary Shares
C Ordinary Shares	Any other person nominated by the	Holders of A Ordinary Shares	Holders of A Ordinary Shares

(1)	(2)	(3)	(4)
Class of Sale Shares	First Offer to	Second Offer to	Third Offer to
	Investor Majority		

22.7.4 Subject always to the order of priorities set out in **Articles 22.7.1, 22.7.2** and **Articles 22.7.3** the Sale Shares shall be treated as offered on terms that, in the event of competition, the Sale Shares offered shall be sold to the holders accepting the offer in proportion (as nearly as may be) to their existing holdings of shares of the class or classes to which the offer is made (the "**Proportionate Entitlement**"). It shall be open to each such holder to specify if he is willing to purchase Sale Shares in excess of his Proportionate Entitlement ("**Excess Sale Shares**") and, if the holder does so specify, he shall state the number of Excess Sale Shares.

22.7.5 Within three Business Days of the expiry of the invitation made pursuant to **Article 22.1** or pursuant to any Transfer Notice deemed to be given (or sooner if all holders of shares have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 22.6**), the Board shall allocate the Sale Shares in the following manner

22.7.5.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or

22.7.5.2 if the total number of Sale Shares applied for is more than the available number of Sale Shares, each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied) in the order of priorities set out in **Article 22.7.1**; applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which shares held by such holder bears to the total number of shares held by all such holders applying for Excess Sale Shares PROVIDED THAT such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take,

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

- 22.8 Subject to **Article 22.9**, upon such allocations being made as set out in **Article 22.7**, the Seller shall be bound, on payment of the Transfer Price, to transfer the Sale Shares comprised in the Allocation Notice to the Member Applicants named therein at the time and place therein specified free from any lien, charge or encumbrance. If he makes default in so doing, one of the Directors, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed attorney of the Seller with full power to execute, complete and deliver in the name and on behalf of the Seller a transfer of the relevant Sale Shares to the Member Applicant and all such consents written resolutions and proxies as the appointed attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed and any Director may receive and give a good discharge for the purchase money on behalf of the Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them. The Board shall forthwith pay the purchase money into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Seller until he shall deliver up his certificate or certificates for the relevant shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the purchase money.
- 22.9 If the provisions of **Article 22.2** apply and if the total number of shares applied for by Member Applicants is less than the number of Sale Shares then the Allocation Notice shall refer to such provision and shall contain a further invitation, open for ten Business Days, to those persons to whom Sale Shares have been allocated to apply for further Sale Shares and completion of the sales in accordance with the preceding paragraphs of this **Article 22** shall be conditional upon all Sale Shares being sold.
- 22.10 In the event of not all the Sale Shares being sold under the preceding paragraphs of this **Article 22** the Seller may, at any time within three calendar months after receiving confirmation from the Company that the pre-emption provisions herein contained have been exhausted, transfer all the Sale Shares (if **Article 22.2** does apply) or any Sale Shares which have not been sold (if

Article 22.2 does not apply) to any person or persons at any price not less than the Transfer Price PROVIDED THAT:

- 22.10.1 the Board shall refuse registration of the proposed transferee unless the Company has Investor Consent (such consent not to be unreasonably withheld or delayed) to transfer the Sale Shares
- 22.10.2 if the provisions of **Article 22.2** applied to the Transfer Notice, the Seller shall not be entitled, save with the written consent of all the other holders of shares of the Company, to sell hereunder only some of the Sale Shares comprised in the Transfer Notice to such person or persons;
- 22.10.3 any such sale shall be a bona fide sale and the Board may request such information at the cost of the transferor as it reasonably deems necessary to satisfy itself that the Sale Shares are being sold in pursuance of a bona fide sale for not less than the Transfer Price without any deduction, rebate or allowance whatsoever to the Buyer and, if not so satisfied, may refuse to register the instrument of transfer;
- 22.10.4 the Board shall refuse registration of the proposed transferee if such transfer obliges the Seller to procure the making of an offer in accordance with **Articles 23.1 to 23.4**, until such time as such offer has been made and, if accepted, completed.

23. CHANGE OF CONTROL

Drag along

23.1 If:

- 23.1.1 an Event of Default has occurred and the holders of the A Ordinary Shares and B Ordinary Shares have served an Activation Notice in accordance with **Article 14.3.**; or
- 23.1.2 subject always to an Investor Consent, the holders of over 54% of the Equity Shares; or
- 23.1.3 from the third anniversary of the Adoption Date and subject always to Investor Consent, any of the Investors;

in each case the ("**Drag Sellers**") wish to transfer their Shares to any person/independent third party (the "**Buyer**"), pursuant to the terms of a bona fide arms length transaction, then the Drag Sellers shall also have the option (the "**Drag Along Option**") to require all other holders and any persons who would become holders upon the exercise of any options, warrants or other rights

to subscribe for Shares which exist at the date the Drag Along Notice is given (the "**Called Shareholders**"), to transfer with full title guarantee all their Shares (including any Shares issued pursuant to any options, warrants or rights to subscribe existing at the date the Drag Along Notice is given) in the Company to the Buyer, or as the Buyer directs. The Drag Sellers may exercise the Drag Along Option by giving written notice to that effect (a "**Drag Along Notice**") to each Called Shareholder. A Drag Along Notice shall specify:

- 23.1.4 that the Called Shareholders are, or will, in accordance with this **Article 23.1** and **Articles 23.2** and **23.3**, be required to transfer with full title guarantee all their Shares, (including any Shares to be issued pursuant to any options, warrants or rights to subscribe, existing at the date the Drag Along Notice is given once exercised) free from all liens, charges and encumbrances;
 - 23.1.5 the price at which such Shares are to be transferred (which shall be an equal price per Share but subject to the aggregate proceeds of sale being distributed in accordance with **Article 16**). Such price may to be satisfied in cash, securities or otherwise in any combination and the manner of satisfaction shall be stated in the Drag Along Notice and shall be satisfied in like manner per Equity Share between all the holders of Equity Shares ; and
 - 23.1.6 the documents required to be executed by the Called Shareholder, the time period within which those documents should be delivered to the Company; and the proposed date of completion of the sale of the Shares the subject of the Drag Along Notice.
- 23.2 Upon any person, following the issue of a Drag Along Notice becoming a holder of Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Shares ("**a New Member**"), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon the New Member who shall thereupon be bound to sell and transfer all such Shares acquired by him to the Buyer or as the Buyer may direct and the provisions of this **Article 23.2** 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 or, if later, upon the date of completion under the previous Drag Along Notice.
- 23.3 If the Called Shareholders (or any of them which shall include any New Member) shall make default in transferring their Shares within any time period specified in the Drag Along Notice (including any Shares issued pursuant to any options, warrants or rights to subscribe existing at the date of the Drag Along Notice once exercised) in accordance with the provisions of any Drag Along Notice and pursuant to **Articles 23.1** and **23.2**, the provisions of **Article 22.8** (references

therein to the Seller, Sale Shares, Allocation Notice and Member Applicant being read as references to the holder making such default, the Shares in respect of which such default is made, the Drag Along Notice and the Buyer respectively) shall apply to the transfer of such Shares mutatis mutandis but the Transfer Price shall be the price offered for such Shares as set out in **Article 23.1** and the provisions of **Article 22.7** shall not apply.

23.4 A Drag Along Notice shall be served in accordance with **Article 32**.

23.5 A Drag Along Notice may be revoked at any time prior to the completion of the sale of the Shares of the Called Shareholders by the service of a written notice upon them by the Drag Sellers.

24. **COMPULSORY TRANSFERS**

24.1 In this **Article 24**, a "**Transfer Event**" means, in relation to any holder of Shares:

24.1.1 a holder who is an individual becoming bankrupt unless the Investor Majority notify the Company within twelve months of the matters coming to its attention that such event is not a Transfer Event in relation to that holder for the purposes of this **Article 24.1**;

24.1.2 a holder making any arrangement or composition with his creditors generally unless the Investor Majority notify the Company within twelve months of the matter coming to its attention that such event is not a Transfer Event in relation to that holder for the purposes of this **Article 24.1**;

24.1.3 a holder becoming a Leaver unless the Investor Majority notify the Company within twelve months of the matter coming to its attention that such event is not (in whole or in part) a Transfer Event in relation to that holder for the purposes of this **Article 24.1**;

24 1.4 a holder attempting to deal with or dispose of any share or any interest in it otherwise than in accordance with these Articles unless the Investor Majority notify the Company within twelve months of the matter coming to its attention that such event is not a Transfer Event in relation to that holder;

24.2 Upon the happening of any Transfer Event, the holder in question and any other holder who has acquired shares from him under a permitted transfer (directly or by means of a series of two or more permitted transfers) under **Article 21.3.2** shall be deemed to have immediately given a Transfer Notice in respect of all the shares then held by him and which in the case of a transferee of shares were the shares received directly or indirectly from the holder who is the immediate

subject of the Transfer Event (a "**Deemed Transfer Notice**"). A Deemed Transfer Notice shall supersede and cancel any then current Transfer Notice insofar as it relates to the same shares except for shares which have then been validly transferred pursuant to that Transfer Notice.

24.3 The shares the subject of any Deemed Transfer Notice shall be offered for sale in accordance with **Article 22** as if they were Sale Shares in respect of which a Transfer Notice had been given save that:

24.3.1 a Deemed Transfer Notice shall be deemed to have been given on the date of the Transfer Event or, if later, the date upon which the Investor Majority becomes aware that the relevant event is a Transfer Event and has notified the Company that the relevant event is a Transfer Event;

24.3.2 the price at which the Sale Shares shall be transferred (the "**Sale Price**") shall be determined in accordance with **Article 24.4**;

24.3.3 the provisions of **Article 22.2** shall not apply to a Deemed Transfer Notice;

24.3.4 **Article 22.10** will not apply to a Deemed Transfer Notice; and

24.3.5 the Sale Shares shall be sold together with all rights attaching thereto as at the date of the Transfer Event,

24.3.6 the Sale Shares shall, at the direction of an Investor Majority, be transferred to any one or more of the following persons:

24.3.6.1 a person or persons intended to replace the recipient of the Deemed Transfer Notice as an employee, director or consultant of the Group;

24.3.6.2 any existing employee, director or consultant of the Group;

24.3.6.3 any other person nominated by the Board and approved by an Investor Majority

24.4 The Sale Price for any Sale Shares which are the subject of a Deemed Transfer Notice given as a consequence of a Transfer Event arising due to a holder being a Leaver shall:

24.4.1 in the case of a Good Leaver be their Fair Value; and

24.4.2 in the case of a Bad Leaver be the lower of their Fair Value and their issue price; and

24.5 For the purpose of **Article 24.1.3** the date upon which a holder becomes a Leaver shall be:

24.5.1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);

24.5.2 where a contract of employment or directorship is terminated by the employee or consultant by giving notice to the employer of the termination of the employment or directorship, the date of that notice;

24.5.3 save as provided in **Article 24.5.1** where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance;

24.5.4 where a contract of employment is terminated under the doctrine of frustration, the date of the frustrating event;

24.5.5 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in **Articles 24.5.1** to **24.5.4** above, the date on which the action or event giving rise to the termination occurs; and

25. **VALUATION OF SHARES**

25.1 In the event that the Independent Accountants are required to determine the price at which shares are to be transferred pursuant to these Articles, such price shall be the amount the Independent Accountants shall, on the application of the Board (which application shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this **Article 25** is required), opine represents a Fair Value for such shares as between a willing seller and a willing buyer as at the date the Transfer Notice or Deemed Transfer Notice is given. In making such determination, the Independent Accountants shall not take any account of whether the Sale Shares comprise a majority or a minority interest in the Company nor the fact that transferability is restricted by these Articles (and shall assume that the entire issued share capital of the Company is being sold and shall if the Sale Shares are Equity Shares value the Sale Shares as a rateable proportion of the entire issued Equity Shares in the capital of the Company).

25.2 **Article 35** shall apply to any determination by the Independent Accountants under this Article

26. COMPLIANCE

- 26.1 For the purpose of ensuring (i) that a transfer of shares is duly authorised under these Articles or (ii) that no circumstances have arisen whereby a Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under **Article 22.1**, the Board may from time to time require any shareholder or past shareholder or the personal representatives, trustee in bankruptcy, receiver, administrative receiver, liquidator, administrator or similar officer of any shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the holder's name.
- 26.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under **Article 23.1**, or that as a result of such information and evidence the Board is reasonably satisfied that such Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under **Article 23**:
- 26.2.1 where the purpose of the enquiry by the Board was to establish whether a Transfer Notice is required to be or ought to have been given, then a Transfer Notice shall be deemed to have been given by the holder of the relevant shares in respect of such shares; or
- 26.2.2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under **Article 23.1**, then the shares held by or on behalf of the person or persons connected with each other or acting in concert with each other who has or have (as the case may be) obtained a Controlling Interest as is referred to in **Article 23.1**, such shares shall cease to entitle the relevant holder or holders (or any proxy) to receive notice of any meeting or of any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such shares or to any further shares issued in right of such shares or in pursuance of an offer made to the relevant holders to the extent that will result in such person or persons only being able to control that percentage of the voting rights attaching to the Equity Shares that

such person or persons were in a position to control prior to the obligation to procure the making of an offer arising.

27. TRANSMITTEES BOUND BY PRIOR NOTICES

Model Article 29 shall be amended by the insertion of the words “, or the name of any person nominated under Model Article 27(2), “after the words “the transmittee’s name”.

GENERAL MEETINGS

28. NOTICE OF GENERAL MEETINGS

28.1 Every notice convening a general meeting shall:

28.1.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and

28.1.2 be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

28.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days' notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 90% in nominal value of the shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

29. PROCEEDINGS AT GENERAL MEETINGS

29.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. Subject to **Article 14.3.4**, two persons, one being a holder of A Ordinary Shares and the other being a holder of C Ordinary Shares present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.

29.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with Investor Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the shareholders present shall form a quorum. Model Articles 41(1) to (5) inclusive shall not apply to the Company.

- 29.3 Subject to any rights or restrictions for the time being attached to any class or classes of shares or by these Articles, on a written resolution every shareholder has one vote in respect of each share held by him, on a show of hands every shareholder entitled to vote who (being an individual) is present in person or by proxy (not being himself a shareholder entitled to vote) or (being a corporation) is present by a representative or proxy (not being himself a shareholder entitled to vote) has one vote and, on a poll, each shareholder has one vote for each share held by him.

30. **WRITTEN RESOLUTIONS**

- 30.1 The provisions of **Article 14.3.6** shall apply in respect of the passing of written resolutions.
- 30.2 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 30.3 For the purposes of this **Article 30** "circulation date" is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days

ADMINISTRATIVE ARRANGEMENTS

31. **BORROWING POWERS**

Subject to the terms of the Investment Agreement, the Board may exercise all the powers of the Company to borrow money up to the amounts specified in the Facility Documents and the Loan Note Instrument and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the 2006 Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

32 **COMPANY COMMUNICATION PROVISIONS**

32.1 Where:

32.1.1 a document or information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom and

32.1.2 the Company is able to show that it was properly addressed, prepaid and posted.

it is deemed to have been received by the intended recipient 24 hours after it was posted.

32.2 Where:

32.2.1 a document or information is sent or supplied by electronic means, and

32.2.2 the Company is able to show that it was properly addressed,

it is deemed to have been received by the intended recipient immediately after it was sent.

32.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient -

32.3.1 when the material was first made available on the website, or

32.3.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

32.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by **Articles 32.1, 32.2 and 32.3.**

32.5 Subject to any requirements of the 2006 Act only such, documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

33. **INDEMNITIES FOR DIRECTORS**

33.1 Subject to, and so far as may be permitted by, the 2006 Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) shall be entitled to be indemnified by the Company against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or of any associated company [and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the 2006 Act.

33.2 Subject to the 2006 Act, the directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director, auditor, secretary or other officer of the Company or

of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, auditor, secretary or other officer of the Company or of any associated company.

- 33.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:

33.3.1 in defending any criminal or civil proceedings; or

33.3.2 in connection with any application under sections 661(3) or 661(4) or under section 1157 of the 2006 Act.

- 33.4 Model Articles 52 and 53 shall not apply to the Company.

34. **REGISTERED OFFICE**

The Company's registered office is to be situated in England and Wales

35. **INDEPENDENT ACCOUNTANTS' DETERMINATION**

- 35.1 If any matter under these Articles is referred to the Independent Accountants for determination then the Independent Accountants shall act as experts and not as arbitrators and their decision shall be conclusive and binding on the company and all the holders of shares (in the absence of fraud or manifest error).

- 35.2 The costs of Independent Accountants shall be borne by the Company unless the Independent Accountants shall otherwise determine.