

**PRIVATE COMPANY LIMITED BY SHARES**

**Written Resolutions**

**of**

**CNG (Group) Limited (the "Company")**

**Company No. 07341939**

Passed on *12 February* 2019

The following resolutions were duly passed as an ordinary resolution (in the case of resolution 1) and special resolution (in the case of resolution 2) on

2019 by way of written resolutions under Chapter 2 of Part 13 of the Companies Act 2006.

**ORDINARY RESOLUTION**

1. **THAT** in accordance with section 618 of the Companies Act 2006 the 8,500 A Ordinary Shares of £1.00 each be subdivided into 850,000 A Ordinary Shares of £0.01 each in the capital of the Company, the 1,500 B Ordinary Shares of £1.00 each in the capital of the Company be subdivided into 150,000 B Ordinary Shares of £0.01 each and the 1,133 G Ordinary Shares of £1.00 each be subdivided into 113,300 G Ordinary Shares of £0.01 each in the capital of the Company.
2. **THAT**, subject to the passing of resolution 1, the directors of the Company be and are hereby generally and unconditionally authorised, in accordance with section 551 of the Act, to exercise all the powers of the Company to allot 278,325 C Ordinary Shares of £0.01 each in the capital of the Company to Dagan AG (a company with unique business identification number: CHE-110.028.590) whose registered office is at Baarermattstrasse 3, 6340 Baar, Switzerland.

**SPECIAL RESOLUTION**

3. **THAT** the articles of association in the form attached to this resolution and initialled for the purposes of identification (**New Articles**) be adopted as the articles of association of the Company in place of, and to the exclusion of, the existing articles of association of the Company.
4. **THAT** the appropriate applications be made at Companies House in order to give effect to the Special Resolution.

Signed .....

Director

*J Hall*

WEDNESDAY



A17 \*A7Z7Q63K\* 13/02/2019 #181  
COMPANIES HOUSE

Company Number: 07341939

The Companies Act 2006

Private Company Limited by Shares

Articles of Association of CNG (Group) Limited  
(the "Company")



A17 \*A7Z7Q5XN\*  
13/02/2019 #154  
COMPANIES HOUSE

1. **Incorporation and Amendment of Statutory Articles**

- 1.1. The model articles contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 ("**Model Articles**") shall apply to the company, except in so far as they are modified, amended or excluded by these Articles.
- 1.2. Articles 1, 7, 8, 9, 11, 12, 13, 14, 17, 26(5), 29, 30, 42, 44, 45, 50, 52 and 53 of the Model Articles shall not apply to the Company and are hereby excluded.
- 1.3. Article 15 of the Model Articles shall be amended by the insertion of the words "(or in the case of decisions taken by electronic means such decisions shall be recorded by the directors in permanent form so that they may be read with the naked eye)" after the words "keeps a record, in writing".
- 1.4. Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors) and the secretary" before the words "properly incur".
- 1.5. Article 25(2)(c) of the Model Articles shall be amended by the insertion of the word "may" before the word "decide".
- 1.6. Article 27(2)(b) of the Model Articles shall be amended by the insertion of the words "in accordance with these Articles" after the words "another person,".
- 1.7. Article 38 of the Model Articles shall be amended by the insertion of the following words at the end of that Article, "Two persons entitled to vote upon the business to be transacted each being a member or a proxy for a member or a duly authorised representative of a corporation that is a member shall be a quorum provided that the Holder(s) of more than 50% of the issued share capital of the Company including at least 50% of the A Shares are present either in person or by proxy."

2. **Definitions and Interpretation**

- 2.1. In these Articles unless the context requires otherwise and, in the case of the articles contained in the Model Articles (to the extent incorporated into these Articles), these defined terms shall be deemed to apply irrespective of their use in either upper case or lower case form:

"Accepting Shareholders"	shall have the meaning ascribed to it in Article 9.4;
"acting in concert"	has the same meaning as in the City Code on Takeovers and Mergers from time to time;
"Articles"	means the Company's articles of association and an "Article" means an article of these Articles;
"A Shareholders"	the Holders of A Shares for the time being;
"A Shares"	the A Ordinary Shares of £0.01 each in the capital of the Company;
"Asset Sale"	means the disposal by the Company of all or substantially all of its undertaking and assets (where disposal may include, without limitation, the grant by the Company of an exclusive licence of intellectual property not entered into in the ordinary course of business);
"Bad Leaver"	a person who is a Holder who ceases to be an Employee and who is not a Good Leaver;
"Bankruptcy"	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
"Board"	the board of directors of the Company for the time being;
"B Director"	a Director from time to time appointed by the B Shareholders pursuant to Article 18.6;
"B Shareholders"	the Holders of B Shares for the time being
"B Shares"	the B Ordinary Shares of £0.01 each in the capital of the Company
"Business Day"	any day (other than a Saturday or Sunday) on which banks are open in London, for normal banking business;
"Buyer"	a bona fide arm's length purchaser;
"Called Shareholders"	the holders of Shares (other than those persons that comprise the Accepting Shareholders);

"Called Shares"	the shares held by the Called Shareholders;
"Cause"	the lawful termination of a person's contract of employment or consultancy as a consequence of: <ul style="list-style-type: none"> <li>(a) that person's misconduct; or</li> <li>(b) without notice or payment in lieu of notice as otherwise permitted pursuant to the terms of that person's contract of employment or consultancy (other than, for the avoidance of doubt, any reason set out in the definition of Good Leaver);</li> </ul>
"Chairman"	has the meaning given in Article 15.1;
"Chairman of the Meeting"	has the meaning given in Article 39.3 of the Model Articles;
"Companies Acts"	means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the Company;
"Compulsory Transfer"	a transfer of Shares pursuant to a Deemed Transfer Notice given under Article 7;
"Connected Person"	a person connected with another within the meaning of sections 1122 and 1123 of the Corporation Taxes Act 2010;
"Controlling Interest"	an interest in shares (as defined in Schedule 1 of the Companies Act 2006) in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that company;
"C Shares"	the C Ordinary Shares of £0.01 each in the capital of the Company;
"Deemed Transfer Notice"	a Transfer Notice which is deemed to have been given;
"Director"	means a director of the Company, and includes any person occupying the position of director, by whatever named called;
"Drag Along Notice"	a notice to exercise the Drag Along Option given under Article 9.4;
"Drag Along Option"	the option referred to in Article 9.4;
"Document"	includes, unless otherwise specified, any

	document sent or supplied in Electronic Form;
"Electronic Form"	has the meaning given in section 1168 of the Companies Act 2006;
"Eligible Director"	means a Director who would be entitled to vote on the matter at a meeting of Directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);
"Employee"	a person who is a Director and/or an employee and/or a consultant (whether in his own right or as a named individual providing consultancy services through a service company) of a Group Company;
"Employee Share"	the G Shares and any other Shares issued to an Employee otherwise than for full value;
"Employee Trust"	a trust whose beneficiaries are the employees of the Group;
"Exit"	means a Share Sale, an Asset Sale or an IPO;
"Fair Value"	the fair value for the Sale Shares determined in accordance with Article 8.2;
"Family Member"	as regards any particular individual member or deceased or former individual member:- <ul style="list-style-type: none"> <li>(a) his spouse or civil partner or any former spouse or former civil partner; and</li> <li>(b) his surviving spouse or civil partner or any former spouse or former civil partner; and</li> <li>(c) all his lineal descendants and ascendants in direct line of that individual and their lineal descendants and a husband or wife or former husband or wife or widower or widow of any of the above persons. A step-child or adopted child or illegitimate child of any person shall be deemed to be a lineal descendant of such person and of the lineal ascendants of such person;</li> </ul>

"Family Trust"	in relation to a Holder, a trust which does not permit any of the settled property of 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 of such Holder or any of his Family Members
"Fully Paid"	in relation to a Share, means that the nominal value and any premium to be Paid to the Company in respect of that Share have been Paid to the Company;
"G Shareholders"	the Holders of G Shares for the time being;
"G Shares"	the G Ordinary Shares of £0.01 each in the capital of the Company
"Good Leaver"	<p>a person who is a Holder and who:</p> <ul style="list-style-type: none"> <li>(a) dies;</li> <li>(b) suffers permanent disability or ill health; or</li> <li>(c) provides if relevant a voluntary resignation notice to any Group Company as an officer and/or an employee and/or consultant of a Group Company save where: <ul style="list-style-type: none"> <li>(i) that such person has been declared Bankrupt; or</li> <li>(ii) that such person has been disqualified from acting as a company director; or</li> <li>(iii) that such person has committed fraudulent conduct against the Group; or</li> <li>(iv) at the time such voluntary resignation notice was provided there existed grounds for termination for Cause by one or more Group Company of that</li> </ul> </li> </ul>

persons office, employment or consultancy; or

(v) at the time such voluntary resignation notice was provided that person was in breach of any Relevant Agreement; or

(d) is determined to be a Bad Leaver but a Special Majority has, in its absolute discretion, decided that such person is a Good Leaver;

"Group"	all the Group Companies;
"Group Company"	the Company and any company which is for the time being a subsidiary or holding company of the Company and any other subsidiary of such holding company;
"Hard Copy Form"	has the meaning given in section 1168 of the Companies Act 2006;
"Holder"	in relation to Shares means the person whose name is entered in the register of members as the holder of the Shares;
"Independent Expert"	an umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to nomination, appointed at the request of any concerned party by the President for the time being of the Institute of Chartered Accountants in England and Wales;
"Instrument"	means a document in Hard Copy Form;
"Investor"	means Dagan AG a company incorporated and registered in Switzerland with unique business identification number CHE-110.028.590 whose registered office is at Baarermattstrasse 3, 6340 Baar, Switzerland;
"Investor Holder"	means the Investor and any person to whom the Investor has transferred Shares pursuant to Article 6.4, in each case for so long as they are a Holder;
"IPO"	means the admission of all or any of the Shares or securities representing those shares (including without limitation depositary interests, American depositary

receipts, American depositary shares and/or other instruments) the Official List of the United Kingdom Listing Authority or the AIM Market operated by the London Stock Exchange Plc or any other recognised investment exchange (as defined in section 285 of the Financial Services and Markets Act 2000);

"Leaver"

any Holder who becomes either a Good Leaver, a Bad Leaver or suffers an Obligatory Transfer Event;

"Obligatory Transfer Event"

shall mean any of the following:

- (a) the liquidation (voluntary or otherwise) of a member, other than a genuine solvent reconstruction or amalgamation in which the new company assumes (and is capable of assuming) all the obligations of the member or other company in the member's group; or
- (b) an order is made by a court of competent jurisdiction, or a resolution is passed for the administration of the member, or documents are filed with the court for the appointment of an administrator, or notice of intention to appoint an administrator is given by the member, or its directors or by a qualifying floating charge holder (as defined in paragraph 14 of Schedule B1 to the Insolvency Act 1986); or
- (c) any step is taken by any person other than a member of another member's group (and is not withdrawn or discharged within 90 days) to appoint a receiver, administrative receiver or manager in respect of the whole or a substantial part of the assets or undertaking of the member or any other company in the member's group; or
- (d) the member is unable to pay its debts as they fall due for the purposes of section 123 of the Insolvency Act 1986; or



	<p>(e) the member entering into a composition or arrangement with its creditors; or</p> <p>(f) any charger enforcing any charge created over any shares held by the member in the Company; or</p> <p>(g) a process having been instituted that <i>could lead to the member being dissolved and its assets being distributed among the member's creditors, shareholders or other contributors</i>; or</p> <p>(h) in the event that the member is not an Employee, any of the following: death; permanent disability or ill health; being declared Bankrupt; disqualification as a company director; and fraudulent conduct against a Group Company;</p>
"Obligatory Transfer Event Date"	the date of occurrence of the Obligatory Transfer Event;
"Observer"	has the meaning given in Article 18.4;
"Offer"	shall have the meaning ascribed to it in Article 9.4;
"Ordinary Resolution"	has the meaning given in section 282 of the Companies Act 2006;
"Original B Shareholders"	John Leworthy and Michael Walls;
"Original Shareholders"	<p>(a) the Investor; and</p> <p>(b) such other persons who are members of the Company at 11:59 pm on the date of adoption of these Articles;</p>
"Paid"	means paid or credited as paid;
"Proxy Notice"	has the meaning given in Article 27;
"Relevant Agreement"	has the meaning given in Article 31;
"Relevant Director"	means a Director appointed pursuant to Article 18.4;
"Relevant Shareholders"	has the meaning given in Article 8.6.1;

"Sale"	means the sale of a Controlling Interest in the Company;
"Sale Shares"	shares specified in the Transfer Notice, or in respect of which the Transfer Notice was deemed to have been given;
"Share Option Scheme"	any share option scheme of the Company for the time being;
"Shareholder"	means a person who is the Holder of a Share;
"Shares"	means shares in the Company;
"Share Sale"	means the sale of (or the grant of a right to acquire or to dispose of) any of the shares in the capital of the Company (in one transaction or as a series of transactions) which will result in the purchaser of those shares (or grantee of that right) and persons acting in concert with him together acquiring a Controlling Interest in the Company, except where following completion of the sale the shareholders and the proportion of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the sale;
"Special Majority"	the Holders of 65% or more of the A Shares and the Investor Holder(s);
"Special Resolution"	has the meaning given in section 1159 of the Companies Act 2006;
"Specified Price"	the price calculated in accordance with Article 9.3;
"Subscription Price"	means the price per Share paid by a Shareholder on subscription;
"Termination Date"	the first of:- <ul style="list-style-type: none"> <li>(a) where the Employee's employment ceases by virtue of notice given by the relevant Group Company to the Employee, the date on which the notice expires;</li> <li>(b) where the Employee's contract of employment is terminated by the relevant Group Company and a payment is made or is liable to be</li> </ul>

made in lieu of notice, the date on which notice of termination was served;

- (c) where the Employee concerned is a Director or a consultant but not an employee of a relevant Group Company, the date on which the contract for the provision of his services is terminated or his directorship ceases, whichever first occurs;
- (d) where the Employee dies, the date of his death; and
- (e) in any other case, the date on which the Employee's office or contract of employment or the consultancy arrangements with the relevant Group Company through which the Employee provides his service is terminated;

or, in the case of a Shareholder who is not an Employee, the date on which such person is determined to be a Leaver.

"Total Transfer Condition"

a condition that unless all the shares specified in the Transfer Notice are sold under Article 8 none shall be sold;

"Transfer"

in relation to a transfer of shares, shall be deemed to include a transfer of any interest in shares (whether legal, beneficial or otherwise);

"Transfer Notice"

a notice given by a member who desires to transfer any shares under Article 8;

"Transfer Price"

the sale price of the Sale Shares, determined in accordance with Article 8;

"Transfer Shares"

those Sale Shares that are available to be offered to the members of the Company pursuant to Article 8 (excluding Sale Shares that have been taken up by the Employee Trust under Article 8);

"Transmittee"

means a person entitled to a Share by reason of the death or Bankruptcy of a shareholder or otherwise by operation of law;

"Vendor"

the transferor under a Transfer Notice or a

Deemed Transfer Notice;

"Writing"

means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

- 2.2. In these Articles, a reference to a statute or statutory provision includes:
- 2.2.1. any subordinate legislation (as defined in section 21(1), Interpretation Act 1978) made under it;
  - 2.2.2. any repeated statute or statutory provision which it re-enacts (with or without modification); and
  - 2.2.3. any statute or statutory provision which modifies, consolidates, re-enacts or supersedes it, except to the extent that it would create or increase the liability of any member.
- 2.3. The headings in these Articles and the contents page are for convenience only and shall not affect its construction or interpretation.
- 2.4. Where the expression 'equity share capital' is used in these Articles, it shall have the meaning given to it in section 548 in the Companies Act 2006.
- 2.5. Unless the context otherwise requires:
- 2.5.1. words denoting the singular shall include the plural and vice versa;
  - 2.5.2. words denoting a gender shall include all genders; and
  - 2.5.3. references to persons shall include corporations and firms.
- 2.6. The 'ejusdem generis' (of the same kind) rule will not apply to the interpretation of these Articles. Accordingly, 'include' and 'including' will be read without limitation.
- 2.7. Unless the context requires, other words or expressions contained in these Articles bear the same meaning as in the Companies Act 2006 as in force on the date when these Articles become binding on the Company.

3. **Share Rights**

- 3.1 The share capital of the Company shall comprise A Shares, B Shares, C Shares and G Shares. Except as otherwise provided in these Articles, the A Shares, B Shares, C Shares, and G Shares shall rank *pari passu* in all respects but shall constitute different classes of shares.

3.2 **Voting Rights**

- 3.2.1 Subject to Article 3.2.2, the Holders of the Shares shall have the right to receive notice of and attend and vote and speak at any general meeting of the Company and shall be entitled to vote on any written resolution of the Company. Save in each case, as provided otherwise in the Act, each such Holder present in person

or by proxy or by representative shall be entitled on a show of hands to one vote and on a poll or written resolution to one vote for each Share held by him.

- 3.2.2 Notwithstanding anything in Article 3.2.1, if any Shares are, as a result of or in the course of any divorce proceedings, transferred to the spouse of former spouse of the Holder, such Shares shall upon such transfer cease to carry any right to receive notice of, attend or vote at any general meeting of the Company.

### 3.3 Dividend Rights

Save if and as stipulated otherwise in any Relevant Agreement, the Company may declare dividends at different rates on different classes of Shares and may declare a dividend on one or more class of Shares and not declare a dividend on the other class(es) of Shares.

### 3.4 Rights as to Capital

The proceeds available for distribution to Shareholders on a liquidation of the Company or, as the case may be, the proceeds of sale on a sale of the Shares in the Company (the "**Realisation Proceeds**") shall be allocated and distributed as follows:

- 3.4.1 first, £8,000,000 shall be allocated and distributed to the Holder(s) of the C Shares;
- 3.4.2 second, from the balance (if any) of the Realisation Proceeds after allocation and distribution under Article 3.4.1, an amount equal to £40,000,000 less the amount allocated and distributed under Article 3.4.1 shall be allocated and distributed to the Holders of the A Shares, the B Shares, and the G Shares as if such Shares were a single class of Shares; and
- 3.4.3 thereafter, the balance (if any) of the Realisation Proceeds after allocation and distribution under Articles 3.4.1 and 3.4.2, shall be allocated to the Holders of A Shares, the B Shares, the C Shares and the G Shares as if such Shares were a single class of Shares.

### 3.5 On the transfer of any Share permitted by these Articles:

- 3.5.1 any Share transferred to a person who is not a Holder or any G Share transferred shall remain of the same class as before the transfer; and
- 3.5.2 any Share other than a G Shares transferred to a pre-existing Holder (save for a Holder who only holds G Shares) shall automatically be re-designated on transfer as a Shares of the same class as those Shares (other than G Shares) held by that Holder.

## 4. Issues of Shares

- 4.1. If the Company wishes to allot Shares (the "**Offer Shares**") it must first invite all Holders of Shares by notice in writing to subscribe for the Offer Shares. An invitation under this Article 4.1 shall be open for acceptance for at least 7 days but not more than 35 days after notice of it is given to the members. The Company does not have to make an offer under this Article 4.1 if the consent of a Special Majority is given.

#### 4.2. Basis of allocation to members

- 4.2.1. The Offer Shares shall be allocated by the directors in satisfaction of the applications received from members in accordance with the procedures set out in this Article 4.2.
- 4.2.2. If the total number of Offer Shares applied for by the members is equal to or less than the number of Offer Shares available, the Offer Shares shall be allocated in satisfaction of the applications received.
- 4.2.3. If the total number of Offer Shares applied for is more than the number of Offer Shares available, the directors shall allocate Offer Shares in satisfaction of each member's application for Offer Shares in accordance with the following formula (rounded down to the nearest whole number of shares). This formula shall be applied repeatedly until there are no Offer Shares left to be allocated. Each application of the formula is an 'iteration'.

$$A = \frac{B}{C} \times D$$

A is the number of Offer Shares to be allocated to the relevant member in the iteration.

B is the number of shares held by the member.

C is the number of shares held by all members.

D is the number of Offer Shares or, after the first iteration, the number of Offer Shares remaining unallocated by previous iterations.

If, in any iteration, a member would be allocated all or more than all of the Offer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member. That member will cease to take part in any further iterations and the excess Offer Shares will be available for allocation in the next iteration.

- 4.2.4. The Company shall notify each member who applied for Offer Shares *of the number of Offer Shares that have been allocated to him and the other persons to whom the Offer Shares have been allocated* and upon receipt from such person of the appropriate subscription price for such Offer Shares, that person will be allotted the Offer Shares allocated to him.
- 4.3. Any Shares which are not allocated to members pursuant to Article 4.2 shall be at the disposal of the Directors who may (within the period of 3 months from the expiry of the invitation made under Article 4.1) allot, grant options over or otherwise dispose of those Shares to any person and on any terms, but the price per share and other terms offered to such a person cannot be more favourable than the price and terms offered to the members.
- 4.4. Article 4.1 will also apply (with the necessary changes) to the grant of any right to subscribe for Shares of any class, other than a grant of options under a Share Option Scheme.

- 4.5. In accordance with section 567 of the Companies Act 2006, all the requirements of sections 561 and 562 of the Companies Act 2006 are excluded generally in relation to the allotment by the Company of equity securities (as defined in section 560(1) of the Companies Act 2006).
- 4.6. The Directors have a general and unconditional authority, pursuant to and in accordance with section 551 of the Companies Act, to exercise all powers of the Company to allot Shares in the Company or to grant rights to subscribe for or to convert any security into Shares in the Company for a period expiring on the fifth anniversary of the date of adoption of this Article unless previously renewed, varied or revoked by the Company. The maximum nominal value of Shares which may be allotted pursuant to the authority conferred by this Article is £2783.25.
- 4.7. By the authority conferred by Article 4.6, or by any renewal of the authority, the Directors may allot Shares, or grant rights to subscribe for or to convert any security into Shares, after the authorisation has expired if the Shares are allotted, or the rights granted, in pursuance of an offer or agreement made by the Company before the authorisation expired.

5. **Transfer of Shares – General**

- 5.1. The Directors shall refuse to register any transfer of Shares not expressly permitted by and in accordance with these Articles but subject to Article 5.3 below may not otherwise refuse to register any transfer of Shares.
- 5.2. To ensure that a particular transfer of Shares is permitted under these Articles, the Directors may ask the transferor, or the person named as transferee in any transfer lodged for registration, to give the Company any information and evidence that the Directors (acting reasonably) think is necessary or relevant. If that information or evidence is not furnished to the satisfaction of the Directors (acting reasonably) within 28 days after the request, the Directors may refuse to register the transfer in question.
- 5.3. In addition to the Directors' right in Article 5.1 above to refuse to register any transfer of Shares which contravenes these Articles, the Directors may refuse to register the transfer of a Share if:
- 5.3.1. the Share is not fully Paid;
- 5.3.2. the transfer is not lodged at the Company's registered office or such other place as the Directors have appointed;
- 5.3.3. the transfer is not accompanied by the certificate for the Shares to which it relates, or such other evidence as the Directors may reasonably require to show the transferor's right to make the transfer, or evidence of the right of someone other than the transferor to make the transfer on the transferor's behalf.

6. **Permitted Transfers**

Notwithstanding the provisions of any other Article, but subject to Article 6.4, the transfers set out in this Article 6 shall be permitted without restriction and the provisions of Articles 8 and 9 shall have no application to any such transfer.

6.1. Permitted Transfers by Individuals or Family Trusts

- 6.1.1. Subject to Articles 6.1.2 to 6.1.4 inclusive, any Holder who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board to be a Family Member or a Family Trust of his.
- 6.1.2. No Shares shall be transferred under Article 6.1.1 by an individual who previously acquired those Shares by way of transfer under Article 6.1.1 save to another individual who is a Family Member or a Family Trust of the original holder of such Shares.
- 6.1.3. If:
- 6.1.3.1. any person has acquired Shares as a Family Member of a Holder by way of one or more transfers permitted under this Article 6.1; and
- 6.1.3.2. 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.
- 6.1.4. Where Shares are held by trustees under a Family Trust;
- (a) those Shares may, on any change of trustee(s), be transferred by those trustee(s) to any new trustees of that Family Trust;
- (b) those Shares may at any time be transferred by those trustee(s) to the settler of that trust or any other family member or managing body corporate to whom that settler could have transferred them under this Articles 6 if he had remained the holder of them; and
- (c) if any of those Shares cease to be held under a Family Trust for any reason, the trustees shall procure that all the Shares then held by those trustee(s) shall be transferred to another Family Trust, to a Family Member of the family of the original member or to a managing body corporate or the original member within 10 Business Days of such cessation.
- 6.1.5. Subject to the provisions of Article 7, 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 6.1.1 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 6.

6.2. Transfer with a Special Majority approval



A transfer of any Shares approved by a Special Majority which are not the subject of a *Deemed Transfer Notice* or have not been transferred following the issue of such notice may be made without restriction as to price or otherwise.

6.3. Transfers by an Employee Trust

Where any Shares are held by trustees of an Employee Trust:

- 6.3.1. on any change of trustees, the Shares may be transferred to the new trustees of that Employee Trust; and
- 6.3.2. the Shares may be transferred at any time to any beneficiary of the trust if the transfer is pursuant to a Share Option Scheme.

6.4. Transfers by Corporate Shareholders

- 6.4.1. A Shareholder which is a body corporate (a "**Corporate Shareholder**") may at any time transfer Shares to a member of the same group.
- 6.4.2. If a Corporate Shareholder holding Shares transferred to it under Article 6.4.1 ceases to be a member of the same group as the original Corporate Shareholder who held them, the Corporate Shareholder then holding those Shares shall without delay notify the Company that this event has occurred and shall forthwith transfer its Shares to another member of the same group of which the original Corporate Shareholder is part.

6.5. Restricted Transfers

Notwithstanding any other provision of these Articles, no transfer of any Share in the capital of the Company shall be registered if it is to any minor, undischarged bankrupt, trustee in bankruptcy or person of unsound mind.

7. **Mandatory Transfers**

7.1. Compulsory Transfer

- 7.1.1. Upon a Holder becoming a Leaver, a Deemed Transfer Notice shall be deemed to have been served on the Company at 5.30pm on the Termination Date or the Obligatory Transfer Date (as the case may be) in respect of the relevant Holder's Shares (such Shares being the "**Restricted Shares**")
- 7.1.2. No transfer of any Restricted Shares may be made other than under Articles 6.2, 8, 9.2 or 9.4.
- 7.1.3. The rights attaching to the Restricted Shares shall be restricted immediately on the Termination Date in the following ways:
  - 7.1.3.1. the right to attend and vote at general meetings attaching to the Restricted Shares (if any) may only be exercised by the chairman of the Board and no other person; and

- 7.1.3.2. the holder of the Restricted Shares shall be excluded from any offer under Articles 2 and 8.1 and if any holder of Restricted Shares acquires Shares as a result of any such offer any such Shares will immediately be subject to the restrictions in this Article 7.1.

These restrictions will cease to have effect upon the transfer of the Restricted Shares in accordance with Articles 4.3, 7.3, 8, 9.2 or 9.4.

7.2. Restriction on Transfer of Shares until Vesting Complete

Save pursuant to Articles 7.1, 8, 9.2 and 9.4, no interest in Restricted Shares held by any Leaver or his Family Members or Family Trust may be transferred to any other person except that such transfers may be made with the written consent of a Special Majority.

7.3. Mandatory Transfers on Change of Control of Holder

- 7.3.1. Subject to Article 7.3.2, if a corporate member ceases to be within the control (as such term is defined by section 1124 Corporation Tax Act 2010) of the person(s) who controlled such company on the date on which it became a member of the Company or on the date of adoption of these Articles (whichever shall be the later) it shall be deemed to have immediately given a Transfer Notice in respect of all Shares as shall then be registered in its name and in the name of any persons to whom he has transferred Shares under Article 6

- 7.3.2. Article 7.3.1 shall not apply to Investor Holders.

8. Pre-emption Rights

8.1. Transfer Notices

- 8.1.1. Save as otherwise provided in these Articles, every member who desires to transfer any Shares shall give the Company notice in writing of that desire. The Transfer Notice must state to whom the member wants to transfer the Shares (if anyone) (except in the case of a Deemed Transfer Notice).

- 8.1.2. Transfer Notices and Deemed Transfer Notices both constitute the Company as the Vendor's agent for the sale of the Sale Shares in one or more lots at the discretion of the Directors at the Transfer Price.

- 8.1.3. If:

- 8.1.3.1. a member gives a Transfer Notice (not being a Deemed Transfer Notice); and

- 8.1.3.2. a Deemed Transfer Notice is subsequently deemed to be given by the same member before their Shares are transferred

the original Transfer Notice will immediately be cancelled. Any offers made by the Company on behalf of the Vendor under that original

Transfer Notice will automatically be withdrawn and will have no effect, even if accepted.

## 8.2. Calculation of the Transfer Price

8.2.1. The Transfer Price shall be: (a) the price agreed by the Vendor and the Board (excluding the Vendor and any other Director who holds Shares which are the subject of a Transfer Notice); or (b) where the Sale Shares are the subject of an offer from an independent third party acting in good faith, the price offered by such third party to purchase the Sale Shares; or (c) if the Sale Shares are not subject to such a third party offer and the Vendor and the Board are unable to agree a price within 21 days of the Transfer Notice being given (or being deemed to have been given), or such later date as may be agreed between the Vendors and the Board, the Transfer Price of such Shares will instead be the price which the Independent Expert shall certify to be in his opinion a fair value of the Sale Shares (the "**Fair Value**"). In arriving at his opinion, the Independent Expert will value the Sale Shares:

8.2.1.1. as at the date the Transfer Notice is given or is deemed to have been given;

8.2.1.2. on a going concern basis as between a willing seller and a willing buyer;

8.2.1.3. ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that Article 7.3 (if applicable) applies to such Shares;

8.2.1.4. in the case of the B Shares only, ignoring any reduction in value which may be ascribed to the Sale Shares by virtue of the fact that they represent a minority interest;

8.2.1.5. on the assumption that the Sale Shares are capable of transfer without restriction.

The decision of the Independent Expert as to the Fair Value shall be final and binding.

8.2.2. If an Independent Expert is appointed under this Article 8 or under any other provision of these Articles, each member will sign an engagement letter from the Independent Expert in the form agreed between that expert and the Company. Each member acknowledges that the engagement letter will include a waiver of claims against the Independent Expert and similar 'hold harmless' provisions arising out of the expert's performance of its role. If a member fails to sign the letter within 3 days of it being delivered to him, the Board (excluding the Vendor and any other Director who holds shares which are the subject of a Transfer Notice) may authorise some person to sign it as attorney for the member.

8.2.3. In the case of Compulsory Transfers where the Employee:

8.2.3.1. is a Good Leaver or has suffered an Obligatory Transfer Event as a consequence of death, ill health or permanent incapacity, the Transfer Price shall be the Fair Value of the Sale Share; or

8.2.3.2. is a Bad Leaver or has suffered an Obligatory Transfer Event other than as a result of the circumstances listed in article 8.2.3.1, then to the extent lawful the Transfer Price shall be restricted to the lower of the original subscription price and the Fair Value of the Sale Shares, and otherwise the Transfer Price shall be the Fair Value of such Shares.

8.3. Total Transfer Condition

A Transfer Notice (but not a Deemed Transfer Notice) may contain a Total Transfer Condition. A Total Transfer Condition shall be binding on the Company.

8.4. Certification of Fair Value and right of Vendor to Cancel

8.4.1. If the Independent Expert is asked to certify the Fair Value, his certificate shall be delivered to the Company. As soon as the Company receives the certificate it shall deliver a copy of it to the Vendor. Unless the Shares are to be sold under a Deemed Transfer Notice, the Vendor may, by notice in writing to the Company within 7 days of the service on him of the copy certificate, cancel the Company's authority to sell the Sale Shares.

8.4.2. The cost of obtaining the certificate shall be paid by the Company unless:

8.4.2.1. the Vendor cancels the Company's authority to sell; or

8.4.2.2. the sale is pursuant to a Deemed Transfer Notice, and the Fair Value certified by the Independent Expert is less than the price (if any) offered by the Directors to the Vendor for the Sale Shares before the Independent Expert was instructed

in which case the Vendor shall bear the cost.

8.5. Preliminary Offer to an Employee Trust and the Company

8.5.1. Subject to prior approval by a Special Majority, within 14 days of the Transfer Price being agreed or determined, any Sale Shares to be sold will first be offered to an Employee Trust and then to the Company, which subject to compliance with the requisite provisions of the Companies Act 2006 may accept the offer itself. The Employee Trust or the Company (as appropriate) has 21 days from the date of the offer within which to accept it.

- 8.5.2. If the Employee Trust or the Company (as appropriate) does not accept the offer referred to in Article 8.5.1 within 21 days of it being made or if the Employee Trust or the Company (as appropriate) only accepts the offer in part, the Sale Shares (or those that have not been taken up by the Employee Trust or the Company (as appropriate) under Article 8.5.1 will immediately be offered to the Holders of A Shares (other than the Vendor) in accordance with Article 8.6.

8.6. Offer to the A Shareholders and the C Shareholders

- 8.6.1. The Transfer Shares will be offered to all Holders of A Shares and all Holders of C Shares (in each case other than the Vendor) ("**Relevant Shareholders**") as if such Shares were a single class of Shares:

8.6.1.1. in the case of a Compulsory Transfer where the Employee is a Bad Leaver as soon as they become available (where prior Special Majority approval has been given under Article 8.5.1, that is, the Employee Trust or the Company (as appropriate) have either declined an offer of Sale Shares, any period for accepting it has elapsed or it has accepted it in part); and

8.6.1.2. in the case of Shares being sold otherwise than pursuant to Article 8.6.1.1 above within 14 days of the Transfer Price being specified, agreed or determined,

in the form specified in Article 8.6.3 and any transfer Shares shall be allocated by the Directors in satisfaction of the applications received from the Relevant Shareholders in accordance with the procedures set out in Article 8.8.

- 8.6.2. If the Relevant Shareholders do not accept the offer referred to in Article 8.6.1 within 30 days of it being made or if the Relevant Shareholders only accept the offer in part, (as the case may be) the Sale Shares or those that have not been taken up by the Relevant Shareholders under Article 8.6.1 will immediately be offered to the other Holders of Shares (other than the Vendor) in accordance with Article 8.7 and 8.8.

- 8.6.3. The offer under Article 8.6.1 or Article 8.7 shall be in writing, specifying:

8.6.3.1. the number of Transfer Shares on offer and the Transfer Price;

8.6.3.2. whether the Transfer Shares on offer are subject to a Total Transfer Condition;

8.6.3.3. and either:

8.6.3.3.1. the person (if any) the Vendor wants to transfer the Transfer Shares to; or

8.6.3.3.2. the fact that the sale is pursuant to a Deemed Transfer Notice

(as the case may be); and

8.6.3.4. the date by which the application to purchase the Transfer Shares has to be received by the Company (being a date not less than 14 days and no more than 21 days after the date of the notice).

The notice shall invite each relevant member to apply in writing to the Company for as many of the Transfer Shares (if any) as that member would like to purchase.

#### 8.7. Offer to Remaining Shareholders

Where all the Relevant Shareholders have either declined an offer for some or all of the Sale Shares, or any period for accepting it has elapsed, the Transfer Shares will, if the Transfer Shares are B Shares, be offered to all the remaining Holders of B Shares (other than the Vendor) and if the Transfer Shares are G Shares, be offered to all the remaining Holders of G Shares (other than the Vendor) in each case in writing and in the form specified in Article 8.6.3.

#### 8.8. Basis of Allocation to Members

8.8.1. The Transfer Shares shall be allocated by the Directors in satisfaction of the applications received in accordance with the procedures set out in this Article.

8.8.2. If the total number of Transfer Shares applied for by the members and, is equal to or less than the number of Transfer Shares available, the Transfer Shares shall be allocated in satisfaction of the applications received from members holding shares.

8.8.3. If the total number of Transfer Shares applied for is more than the number of Transfer Shares available, the Directors shall allocate Transfer Shares in satisfaction of each member's application for Transfer Shares in accordance with the following formula (rounded down to the nearest whole number of shares). This formula shall be applied repeatedly until there are no Transfer Shares left to be allocated. Each application of the formula is an 'iteration'.

$$A = \frac{B}{C} \times D$$

A is the number of Transfer Shares to be allocated to the relevant member in the iteration.

B is the number of Shares held by the member.

C is the number of Shares held by all members to whom the iteration is being applied.

D is the number of Transfer Shares or, after the first iteration, the number of Transfer Shares remaining unallocated by previous iterations.

If, in any iteration, a member would be allocated all or more than all of the Transfer Shares for which he applied (including allocations from previous iterations) then any excess will not be allocated to that member. That member will cease to take part in any further iterations and the excess Transfer Shares will be available for allocation in the next iteration.

- 8.8.4. The Company shall notify the Vendor and each member who applied for Transfer Shares of the number of Transfer Shares that have been allocated and the persons to whom they have been allocated. The notification shall include the place and time (being not later than 14 days after the date by which applications had to be received) at which the sale of the Transfer Shares shall be completed.

#### 8.9. Transfer Procedure for Pre-Emptive Offers

If the Company finds purchasers for all or any of the Sale Shares under Articles 8.6 and/or 8.7, the Vendor shall, on receipt of the Transfer Price, transfer the Sale Shares (or those Sale Shares for which the Company has found purchasers) to those purchasers. If the Vendor does not perform his obligations under this Article 8.9, the Company shall:

- 8.9.1. (if so required by the persons willing to purchase the Sale Shares) receive and give a good discharge for the purchase money on behalf of the Vendor;
- 8.9.2. authorise any Director of the Company to execute transfers of the Sale Shares in favour of the purchasers and the purchase contract; and
- 8.9.3. enter the names of the purchasers in the Company's register of members as the Holder of the Sale Shares that were transferred to them.

#### 8.10. Transfers Free of Pre-Emption

- 8.10.1. If the Company does not find purchasers for all of the Sale Shares under this Article 8, the Company shall give written notice of the same to the Vendor containing details of any Sale Shares which have not been acquired pursuant to the preceding paragraphs of Article 8 ("**Rump Shares**").

8.10.2. If the Vendor does not have any or all of his Sale Shares acquired pursuant to the preceding paragraphs of Article 8 the Vendor shall, subject always to the Articles 9.2 and 9.4 continue to hold such Rump Shares and the relevant Transfer Notice (or Deemed Transfer Notice) shall remain valid and the Company and/or the A Shareholders shall be capable of exercising their rights in accordance with the preceding provisions of this Article 8 to purchase all or any of the Rump Shares at the Transfer Price and the Vendor shall not be permitted to dispose of such Rump Shares in accordance with Article 8.10.3. In the event that any Rump Shares are not transferred within 12 months of the issue of the original relevant Transfer Notice (or Deemed Transfer Notice) the Board may by no later than 30 days after such anniversary apply to re-determine the Transfer Price pursuant to Article 8.9.2 at the date of such application by the Board and a new Transfer Notice ("Second Transfer Notice") shall be deemed to be served under Article 8 for consideration by the members.

8.10.3. Subject to the preceding paragraphs of this Article 8, the Vendor may, if any Rump Shares are unsold within six months after the Second Transfer Notice, subject to Special Majority approval, sell and transfer the Sale Shares that have not been sold under this Article 8 to the persons specified in the Transfer Notice at a price which is no less than the Transfer Price. However, if the Sale Shares were:

8.10.3.1. subject to a Total Transfer Condition, a sale may only be made of all the Sale Shares and not some of them; or

8.10.3.2. offered under a Deemed Transfer Notice, they may not be sold or transferred to any third party unless:

8.10.3.2.1. the transfer is permitted under Article 6.2; and

8.10.3.3. the price per Rump Share is not less than the Transfer Price.

#### 8.11. Effect of Non-Compliance

Any purported transfer of Shares which is not in accordance with these Articles is void.

### 9. Transfer of Control

#### 9.1. Transfer Prohibited Absolutely

Save for transfers permitted under Articles 6 or 9.2 and 9.4, no sale or transfer of the legal or beneficial interest in any shares in the Company may be made or validly registered if, as a result of that sale or transfer and registration, a Controlling Interest would be obtained in the Company by a company in which one or more of the members of the Company (or persons acting in concert with them) has a Controlling Interest.

#### 9.2. Tag Along

Save for transfers permitted under Article 6 or 9.4, no sale, transfer or subscription of the legal or beneficial interest in any shares in the Company may be made or



validly registered if, as a result of that sale, transfer or subscription and registration, a Controlling Interest would be obtained in the Company by a person or persons who are not Original Shareholders unless the proposed transferees or subscribers or their nominees:

9.2.1. are independent third parties acting in good faith; and

9.2.2. have offered to purchase all the Shares (issued and to be issued) at a price per Share equal to that offered or paid or payable by the proposed transferee(s) or subscriber(s) or his or its or their nominees Shares.

### 9.3. Calculation of the Specified Price

9.3.1 In this Article 9.3,

9.3.1.1 "**Offered Class**" means the class of Shares in respect of which the proposed transferee or subscriber or his or their nominees have made an offer falling within Article 9.2 (other than an offer made under Article 9.2.2); and

9.3.1.2 "**Offered Price**" means the consideration (in cash or otherwise):

(i) per Share held by Investor Holders equal to the greater of:

(A) that offered or paid or payable by the proposed transferee or subscriber or his or their nominees for Shares of the Offered Class; and

(B) £X, where

X is equal to  $£Y \div Z$

£Y is equal to the sum of £8,000,000 plus interest at a rate of 12% per annum, accruing daily and compounding annually from the date of the adoption of these Articles;

Z is equal to the aggregate number of Shares held by all Investor Holders; and

(ii) per other Share equal to that offered or paid or payable by the proposed transferee or subscriber or his or their nominees for Shares of the Offered Class.

9.3.2 The "Specified Price" in relation to the shares of a particular class shall be calculated by:

9.3.2.1 calculating the amount that would need to be payable in respect of the whole of the issued share capital of the Company such that the amount paid in respect of each Share of the Offered Class equals the Offered Price;

- 9.3.2.2 then calculating the amount that would be paid in respect of each Share of that class if the consideration for the whole of the issued share capital of the Company were the amount calculated in accordance with Article 9.3.2.1.

in each case applying the provisions of Article 3.4. If there is a disagreement, the calculation of the Specified Price shall be referred to an Independent Expert whose decision shall be final and binding.

#### 9.4. Drag Along

- 9.4.1. If, a Buyer, having made a subject to contract offer (the "**Offer**"), to all members of the Company which is acceptable to a Special Majority (such persons being the "**Accepting Shareholders**") then the Accepting Shareholders that wish to transfer their shares shall have the option (a "**Drag Along Option**") to require all the Called Shareholders to sell and transfer all their Shares to the Buyer (or as the Buyer shall direct) in accordance with Articles 9.4.2 to 9.4.9.
- 9.4.2. The Accepting Shareholders may exercise the Drag Along Option by giving notice in writing to that effect at any time before the transfer of the Shares held by the Accepting Shareholders to the Buyer. A Drag Along Notice shall specify:
- 9.4.2.1. that the Called Shareholders are required to transfer all their Called Shares under Article 9 4;
  - 9.4.2.2. the person to whom they are to be transferred;
  - 9.4.2.3. the consideration for which the Called Shares are to be transferred (calculated in accordance with Article 9.4.4); and
  - 9.4.2.4. the proposed date of transfer.
- 9.4.3. Drag Along Notices shall be irrevocable but will lapse if the shares held by the Accepting Shareholders are not sold to the Buyer within 60 days after the date the Drag Along Notice was served. The Accepting Shareholders may serve further Drag Along Notices if any particular Drag Along Notice lapses.
- 9.4.4. The form (in cash or otherwise) and amount of the consideration payable for each Called Share shall be calculated in the same manner as the Specified Price under Article 9.3 but so that any reference to Offered Class is deemed to be a reference to the class of Shares held by the Accepting Shareholders and reference to Offered Price shall be the amount accepted by the Accepting Shareholders for such shares (the "**Offer Consideration**").
- 9.4.5. The sale of the Called Shares shall be completed on the date proposed for completion of the sale of the shares held by the Accepting Shareholders or such other date as may be specified by the Accepting Shareholders in the Drag Along Notice, unless the Special Majority agree otherwise.

9.4.6. The restrictions on transfer set out in Articles 6.4, 7.2, 9.1 and 9.2 shall not apply to any transfer of Shares to a Buyer (or as he may direct) pursuant to the exercise of the Drag Along Option.

9.4.7. If any Holder of Called Shares does not on completion of the sale of Called Shares execute transfers in respect of all his Called Shares, that Holder shall be deemed to have irrevocably appointed any person nominated for the purpose by the Special Majority to be his agent and attorney to:

9.4.7.1. execute all necessary documents and transfers on his behalf in order to effect the sale of the Called Shares to the Buyer; and

9.4.7.2. against receipt by the Company (on trust for the Holder) of the purchase monies or any other consideration payable for the Called Shares, deliver those transfers to the Buyer (or as he may direct).

9.4.8. On completion of the sale of the Called Shares, the Directors shall (subject only to stamping any stock transfer forms, if required) immediately register the Buyer (or as he may direct) as the Holder of the Called Shares and, after the Buyer (or his nominee) has been registered as the Holder, the validity of those proceedings shall not be questioned by any person. A person may be registered as the Holder of the Called Shares under this Article 9.4.8 even if no certificate for those shares has been produced.

9.4.9. If any person becomes a member of the Company (a "New Member") pursuant to the exercise of a pre-existing option or other right to acquire Shares in the Company after a Drag Along Notice has been served, the New Member will be bound to sell and transfer all shares acquired by him to the Buyer or as the Buyer may direct. The provisions of Articles 9.4.1 to 9.4.8 shall apply (with the necessary changes) to the New Member, save that if the Shares are acquired after the sale of the Called Shares has been completed, completion of the sale of the New Member's Shares shall take place immediately on the New Member acquiring the Shares.

#### 9.5. Interpretation of this Article

In this Article 9 only:

'transfer' and 'transferee' shall include respectively the renunciation of a renounceable letter of allotment and the generic under such a letter of allotment; and

'shares' and/or 'Shares' includes bearer shares, warrants, depository receipts and any other security or instrument into which shares may be converted with a view to a sale.

#### 9.6. Primacy of Article

All other regulations of the Company relating to the transfer of Shares and the rights to registration of transfers shall be read subject to this Article 9.

10. **Exit Facilitation**

In the event of an Exit approved by a Special Majority (in this Article 10 only, "**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit (in this Article 10 only, "**Actions**"). The Shareholders shall be required to take all Actions with respect to the Proposed Exit as are reasonably required by the Board to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article, the Company shall be constituted the agent of each defaulting Shareholder for taking the Actions as are necessary to effect the Proposed Exit and the Directors may authorise an officer or member to execute and deliver on behalf of such defaulting Shareholder the necessary documents and the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders.

11. **Directors to Take Decisions Collectively**

The general rule about decision-making by Directors is that any decision of the Directors must be either a majority decision of the Relevant Directors at a quorate meeting or a decision taken in accordance with Article 12.

12. **Unanimous Decisions**

- 12.1. A decision of the Directors is taken in accordance with this Article when all Eligible Directors, including all the Relevant Directors, indicate to each other by any means and in any form of words, that they share a common view on a matter and wish that common view to take effect as a decision of the Directors.
- 12.2. Such a decision may take the form of a resolution in Writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in Writing.
- 12.3. A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at such a meeting.

13. **Calling a Directors' Meeting**

- 13.1. Any Director may call a Directors' meeting by giving not less than ten Business Days' notice of the meeting or to such lesser notice as all the Directors may agree to the Directors or by authorising the company secretary (if any) to give such notice.
- 13.2. Notice of any Directors' meeting shall be given in Writing and must indicate:
  - 13.2.1. its proposed date and time;
  - 13.2.2. where it is to take place; and
  - 13.2.3. if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 13.3. Notice of a Directors' meeting (including the matters set out in Article 12.2 above) must be given to each Director, but need not be in Writing.

- 13.4. Notice of a Directors' meeting need not be given to Directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the Company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held that does not affect the validity of the meeting, or of any business conducted at it.

**14. Quorum for a Directors' Meeting**

- 14.1. At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.
- 14.2. Subject to Article 13.3, the quorum for Directors' meetings for the transaction of business at a meeting of Directors is any two Eligible Directors, including at least two Relevant Directors, at least one of whom must have been appointed by the Investor Holders (where such persons are appointed for the time being) or their respective alternates present throughout the meeting at which the business is to be transacted. Subject to due and proper notice having been given to any Director or Observer appointed by the Investor Holders, if within two hours from the time appointed for the meeting a quorum is not present, the Director or Directors and/or alternate Director or alternate directors present shall be a quorum and will constitute a valid meeting for all purposes.
- 14.3. For the purposes of any meeting (or part of a meeting) held pursuant to Article 13 to authorise a Director's conflict, if there is only one Eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one Eligible Director
- 14.4. If the total number of Directors for the time being is less than the quorum required, the Directors must not take any decision other than a decision to call a general meeting of Shareholders or circulate a written resolution to Shareholders so as to enable further Directors to be appointed.

**15. Chairing of Directors' Meetings**

- 15.1. The Relevant Directors may appoint a Director to chair their meetings and the person so appointed for the time being is known as the Chairman. If no Relevant Directors are appointed for the time being, a majority of the Directors may appoint a Director to be the Chairman.
- 15.2. If the Chairman is not Participating in a directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

**16. Casting Vote**

- 16.1. If the numbers of votes for and against a proposal at a meeting of Directors are equal, the Chairman or other Relevant Director chairing the meeting has a casting vote.
- 16.2. Article 16.1 does not apply if, in accordance with the articles, the chairman or other Director chairing the meeting is not an Eligible Director and a Relevant Director for the purposes of that meeting (or part of a meeting).

17. **Directors' Interests in Transactions and Other Arrangements**

17.1. A Director, provided that he has declared to the Directors, in accordance with the provisions of these Articles and the Companies Act 2006, the nature and extent of his interest a Director (or a person connected with him), notwithstanding his office:

17.1.1. may have an interest as a party to or may be in any way directly or indirectly interested in any existing or proposed contract or arrangement or transaction with any Relevant Undertaking;

17.1.2. may have an interest as a director, partner, member or employee or other office holder of any Relevant Undertaking or otherwise be interested (including without limitation by the holding of shares or loan notes or options to acquire shares or loan notes) in any Relevant Undertaking;

17.1.3. may hold and be remunerated in respect of any office or place of profit (other than the office of auditor) in any Relevant Undertaking;

17.1.4. may act (or any undertaking of which he is a director, partner, member or employee or other office holder may act) in a professional capacity for any Relevant Undertaking (other than as auditor) whether or not he or it is remunerated for this;

17.1.5. shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested;

17.1.6. shall be entitled to vote at a meeting of Directors (or a committee of the Directors) or participate in any unanimous decision in respect of such contract or proposed contract in which he is interested;

17.1.7. may have any other interest authorised by ordinary resolution of the Company.

17.2. Notwithstanding the provisions of Article 16.1 where a situation arises (which does not relate to a transaction or arrangement with the Company) in which a Director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict with the interests of the Company, which can reasonably be regarded as likely to give rise to a conflict of interest (a "**Conflict Situation**"), the Director may take such additional steps as may be necessary or desirable for the purpose of managing such Conflict Situation, and in particular must comply with any procedures laid down from time to time by the Directors for the purpose of managing conflicts of interest generally and/or any specific procedures approved by the Directors for the purpose of or in connection with the Conflict Situation or matter in question, including without limitation:

17.2.1. declaring to the other Directors the nature and extent of his interest in the Conflict Situation (except where Article 17.5 applies);

17.2.2. absenting himself from any meetings of the Directors (or part thereof) at which the Conflict Situation or matter falls to be considered; and

- 17.2.3. not reviewing documents and/or information made available to the Directors generally in relation to such Conflict Situation and/or arranging for such documents and/or information to be reviewed by a professional adviser to ascertain the extent to which it might be appropriate for him to have access to such documents or information.

and the Director will not infringe any duty he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 provided he acts in accordance with such terms, limits and conditions (if any) as the Directors impose in respect of the Conflict Situation.

- 17.3. Subject to Article 17.4 (and without prejudice to any equitable principle or rule of law which may excuse or release the Director from disclosing information, in circumstances where disclosure may otherwise be required under this Article), if a Director, otherwise than by virtue of his position as Director, receives information in respect of which he owes a duty of confidentiality to a person other than the Company, he shall not be required:

- 17.3.1. to disclose such information to the Company or to the Directors, or to any director, officer or employee of the Company; or
- 17.3.2. otherwise to use or apply such confidential information for the purpose of or in connection with the performance of his duties as a Director.

- 17.4. Where such duty of confidentiality arises out of a Conflict Situation Article 17.3 shall apply only if the conflict arises out of a matter which falls within Article 17.2 above to the extent that the Directors have laid down procedures under Article 17.2 or has been authorised under Article 17.5.

- 17.5. Without prejudice to the provisions of Articles 17.1 and 17.2, the Directors may *authorise a Conflict Situation in accordance with s175(5)(a) of the Companies Act 2006* on such terms as they may determine. For the avoidance of doubt, such authorisation shall be effective only if:

- 17.5.1. any requirement as to the quorum at the meeting at which the matter is considered is met without counting the Director(s) in question and any other interested Directors; and
- 17.5.2. the matter was agreed to without the votes of the Director(s) in question and any other interested Directors or would have been agreed to if those votes had not been counted.

- 17.6. Any authorisation of a Conflict Situation under Article 17.5 may (whether at the time of giving the authorisation or subsequently):

- 17.6.1. extend to any Conflict Situation which may reasonably be expected to arise out of the Conflict Situation so authorised;
- 17.6.2. be subject to such terms and for such duration, or impose such limits or conditions as the Directors may determine;
- 17.6.3. be terminated or varied by the Directors at any time.

This will not affect anything done by the Director prior to such termination or variation in accordance with the terms of the authorisation.

- 17.7. Without prejudice to the obligation of each Director to declare an interest in accordance with sections 177 or 182 of the Companies Act 2006 or these Articles and subject to the terms of any authorisation or restriction imposed pursuant to Articles 17.2 or 17.5, a Director may vote at any meeting of the Directors or of any committee of the Directors on any resolution concerning a matter in which he has an interest, whether direct or indirect, or in relation to which he has a duty. Having so declared any interest he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted, subject to the terms of any authorisation or restriction imposed pursuant to Articles 17.2 or 17.5.
- 17.8. In any case permitted by this Article 17 (save as otherwise agreed by him) a Director (or a person connected with him) may retain for his own absolute use and benefit all remuneration, profits or advantages accruing to him under or in consequence of his acts and no such contract, arrangement or transaction shall be avoided on the grounds of any such interest or benefit nor shall the receipt of such remuneration, profits or advantages constitute a breach of the director's duty under section 176 of the Companies Act 2006.
- 17.9. As soon as reasonably practicable, a Director shall declare the nature and extent of any interest permitted by this Article 17 at a meeting of the Directors, or by notice in accordance with section 184 (notice in writing) or section 185 (general notice) of the Companies Act 2006 or in such other manner as the Directors may determine, except that no declaration of interest shall be required by a Director in relation to an interest:
- 17.9.1. if it is an interest, or a transaction or arrangement giving rise to an interest, of which the Director is not aware;
  - 17.9.2. if such interest cannot reasonably be regarded as likely to give rise to a conflict of interest;
  - 17.9.3. if, or to the extent that, the other Directors are already aware of such interest (and for this purpose the other Directors are treated as aware of anything of which they ought reasonably to be aware); or
  - 17.9.4. if, or to the extent that, it concerns the terms of his service contract (as defined by section 227 of the Companies Act 2006) that have been or are to be considered by a meeting of the Directors, or by a committee of Directors appointed for the purpose under these Articles.
- 17.10. Subject to section 239 of the Companies Act 2006, the Company may by Ordinary Resolution ratify any contract, transaction or arrangement, or other proposal, not properly authorised by reason of a contravention of any provisions of this Article.
- 17.11. For the purposes of:
- 17.11.1. Articles 17.2 and 17.5 a conflict of interest includes a conflict of interest and duty and a conflict of duties;
  - 17.11.2. this Article 17, section 252 of the Companies Act 2006 shall determine whether a person is connected with a Director;



- 17.11.3. this Article 17 "**Relevant Undertaking**" shall mean the Company, any member of the Company, a subsidiary undertaking of the Company or member of the Company, any parent undertaking of the Company or member of the Company or a subsidiary undertaking of any such parent undertaking;
- 17.11.4. a general notice to the Directors that a Director has an interest in a specified body corporate or firm or is connected with a specified person other than a body corporate or firm 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 treated to be a notice that the Director has an interest in any such transaction of the nature and extent so specified.

18. **Methods of Appointing and Removing Directors**

- 18.1. The Board may, by a majority of Relevant Directors, or to the extent that there are no Relevant Directors appointed for the time being, a majority of the Directors, appoint a person who is willing to act as a Director, either to fill a vacancy or as an additional Director provided that the appointment does not cause the number of Directors to exceed the maximum number referred to in Article 18.2 below.
- 18.2. There shall be no maximum number of Directors and the minimum number shall be no less than two, unless the Board shall agree otherwise.
- 18.3. The office of a Director shall be vacated forthwith if:
  - 18.3.1. he ceases to be a director by virtue of any provision of the 2006 Act or he becomes prohibited by law from being a director; or
  - 18.3.2. he becomes Bankrupt or makes any arrangement or composition with his creditors generally; or
  - 18.3.3. he is, or may be, suffering from mental disorder and, in relation thereto he is admitted to hospital for treatment or an order is made by any court having jurisdiction in matters concerning mental disorder for his detention or for the appointment of a receiver, curator bonis or other person to exercise powers with respect to his property of affairs; or
  - 18.3.4. he resigns his office by notice to the Company; or
  - 18.3.5. the members approve an ordinary resolution of the Company to remove him as a director; or
  - 18.3.6. in the case of a Director who is a B Shareholder or a G Shareholder, that Shareholder ceases to hold any shares in the capital of the Company; or
  - 18.3.7. the Director is in breach of the terms of his letter of appointment or contract of employment.

- 18.4. Subject to Articles 17.5, any Relevant Shareholder shall, for so long as such Relevant Shareholder holds at least 15% of the Shares in issue have the right to appoint, and to maintain in office one person as a Director and to remove any such Director and to appoint a replacement, in each case by notice in writing to the Company. The Investor Holder shall, for so long as no Director appointed by it pursuant to this Article 18.4 is in office, have the right to appoint, and to maintain in office one person as an observer to the board ("**Observer**") and to remove any observer and to appoint a replacement, in each case by notice in writing to the Company. Any Observer appointed pursuant to this Article 18.4 shall be entitled to receive notices and information as if and on the same basis as if the Observer were a Director.
- 18.5. The provisions of Article 18.4 shall not apply to any A Shareholder who, under the provisions of Article 3.2.2, does not have the right to receive notice of, attend or vote at general meetings of the Company.
- 18.6. Each Original B Shareholder shall for so long as he continues to hold the B Shares held by them on the adoption of these Articles shall have the right to appoint and maintain himself in such office as a Director (a "**B Director**") by notice in writing to the Company. For the avoidance of doubt, each Original B Shareholder shall have no right to remove any Director (B Director or otherwise) except himself and/or appoint any replacement.

19. **Appointment of Alternate Directors**

- 19.1. Save as proscribed in this Article 19.1, any Director (an "**appointer**") may appoint, as an alternate, any other Director, or any other person approved by resolution of the Directors, to:

19.1.1. exercise that Director's powers; and

19.1.2. carry out that Director's responsibilities,

in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor. No B Director will be entitled to appoint, as an alternate, any other Director, or any other person approved by a resolution of the Directors pursuant to this Article 18.

- 19.2. Any appointment must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the Directors.

- 19.3. The notice referred to in Article 18.2 above must:

19.3.1. identify the proposed alternate; and

19.3.2. 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.

20. **Rights and Responsibilities of Alternate Directors**

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

20.2. Except as the Articles specify otherwise, alternate Directors:

- 20.2.1. are deemed for all purposes to be Directors;
- 20.2.2. are liable for their own acts and omissions;
- 20.2.3. are subject to the same restrictions as their appointors; and
- 20.2.4. are not deemed to be agents of or for their appointors

and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of Directors and of all meetings of committees of Directors of which his appointor is a member

20.3. A person who is an alternate Director but not a Director:

- 20.3.1. may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
- 20.3.2. 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); and
- 20.3.3. shall not be counted as more than one Director for the purposes of Articles 19.3.1 and 19.3.2.

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

20.5. 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.

## 21. **Termination of Alternate Directorship**

21.1. An alternate director's appointment as an alternate terminates:

- 21.1.1. when the alternate's appointor revokes the appointment by notice to the Company in Writing specifying when it is to terminate;
- 21.1.2. 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;
- 21.1.3. on the death of the alternate's appointor;
- 21.1.4. where relevant, where the alternate director becomes or is deemed a Leaver; or
- 21.1.5. when the alternate's appointor's appointment as a Director terminates.

22. **Secretary**

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

23. **Transmittees Bound by Prior Notices**

If a notice is given to a Shareholder in respect of Shares and a transmittee is entitled to those Shares, the transmittee is bound by the notice if it was given to the Shareholder before the transmittee's name, or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28 of the Model Articles has been entered in the register of members.

24. **Procedure for Declaring Dividends**

- 24.1. The Company may by Ordinary Resolution declare dividends, and the Directors may decide to pay interim dividends.
- 24.2. A dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.
- 24.3. No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights.
- 24.4. Any distributions must be paid by reference to each Shareholder's holdings of the relevant class of shares to which the distribution applies on the date of the resolution or decision to declare to pay it.
- 24.5. If the Company's share capital is divided into different classes, no interim distribution may be paid on Shares carrying deferred or non-preferred rights if, at the time of payment, any preferential distribution is in arrears.
- 24.6. The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- 24.7. If the Directors act in good faith, they do not incur any liability to the holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights.

25. **Voting: General**

- 25.1. A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these Articles.
- 25.2. Votes on Shares may be exercised:
  - 25.2.1. on a show of hands by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative, not being himself a member (in which case each member holding Shares with votes shall have one vote, as set out in Article 3.2.1); and

- 25.2.2. on a poll by every member who (being an individual) is present in person or by proxy or (being a corporation) is present by a representative or by a proxy (in which case each member holding Shares with votes shall have the votes attaching to the Shares held by him, as set out in Article 3.2.1).

**26. Poll Votes**

- 26.1. A poll on a resolution may be demanded:

- 26.1.1. in advance of the general meeting where it is to be put to the vote; or

- 26.1.2. at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.

- 26.2. A poll may be demanded by:

- 26.2.1. any qualifying person (as defined in section 318 of the Companies Act 2006) present and entitled to vote at the meeting;

- 26.2.2. the Chairman of the Meeting; or

- 26.2.3. the Board

- 26.3. A demand for a poll may be withdrawn if:

- 26.3.1. the poll has not yet been taken; and

- 26.3.2. the Chairman of the Meeting consents to the withdrawal.

A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made.

- 26.4. Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

**27. Content of Proxy Notices**

- 27.1. Proxies may only validly be appointed by a notice in Writing (a "proxy notice") which:

- 27.1.1. states the name and address of the Shareholder appointing the proxy;

- 27.1.2. identifies the person appointed to be that Shareholder's proxy and the general meeting in relation to which that person is appointed;

- 27.1.3. is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

- 27.1.4. is delivered to the Company:

27.1.4.1. at its registered office in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised, or

27.1.4.2. at the meeting or adjourned meeting at which the right to vote is to be exercised,

and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate and a proxy notice which is *not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting.*

27.2. The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.

27.3. Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

27.4. Unless a proxy notice indicates otherwise it must be treated as:

27.4.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and

27.4.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

## 28. **No right to Inspect Accounts and Other Records**

Except as provided by law or authorised by the Directors or an Ordinary Resolution of the Company, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Shareholder.

## 29. **Indemnity**

29.1. Subject to Article 28.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled, a relevant officer shall be indemnified out of the Company's assets against:

29.1.1. any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or an associated company;

29.1.2. any liability incurred by that Director in connection with the activities of the Company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006);

29.1.3. any other liability incurred by that Director as an officer of the Company or an associated company.

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

29.3. In this Article:

- 29.3.1. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 29.3.2. a "relevant officer" means any Director or other officer or former director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pensions scheme (as defined by section 235(6) of the Companies Act 2006), but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor.

30. **Insurance**

- 30.1. The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss.

30.2. In this Article:

- 30.2.1. a "relevant officer" means any Director or other officer or former director or other officer of the company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Companies Act 2006, but excluding in each case any person engaged by the company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor;
- 30.2.2. a "relevant loss" means any loss or liability which has been or may be incurred by a relevant officer in connection with that officer's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company; and
- 30.2.3. companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.

31. **Relevant Agreements**

Notwithstanding any other provision of these Articles, the provisions of these Articles are subject to the provisions of any written agreement relating to the Company between all the members of the Company from time to time ("**Relevant Agreement**") and the directors of the Company shall exercise their voting and other powers and authorities as directors of the Company to procure, insofar as it is within their respective powers to do so, the compliance by the Company with any Relevant Agreement to which the Company is also party.