

Company Number: 07486862

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

OF

ORIGIN BROADBAND LTD

(the "Company")

Circulation Date: 1 March 2016 (the "Circulation Date")

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), the Directors of the Company propose that the following resolutions are passed as special resolutions of the Company (the "Resolutions"):

SPECIAL RESOLUTIONS

1. New Class of Shares

THAT, subject to the passing of Resolutions 2, 3 and 4 below, the capital of the Company be altered by:

- 1.1 the creation of 230 Ordinary Shares of £1.00 each (the "Ordinary Shares");
- 1.2 the creation of 454 A Ordinary Shares of £1.00 each (the "A Ordinary Shares");
- 1.3 the creation of 711,000 Preference Shares of £1.00 each (the "Preference Shares");

the Ordinary, Ordinary A and Preference Shares to have the rights set out in the Articles of Association of the Company as proposed to be adopted pursuant to Resolution 4 below.

2. Authority to Allot

THAT, subject to the consent of the holders of any Preference Shares in the capital of the Company and in accordance with section 551 of the Act, the Directors of the Company be generally and unconditionally authorised to allot up to 230 Ordinary Shares, 454 A Ordinary Shares and 711,000 Preference Shares, provided that the authority in this Resolution 2 shall, unless renewed, varied or revoked by the Company, expire on 28 February 2018 save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors of the Company may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this Resolution has expired.

3. Disapplication of Pre-Emption Rights

- 3.1 **THAT**, subject to the passing of Resolutions 1 and 2 above, and in accordance with section 570 of the Act, the Directors of the Company be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by Resolution 2 as if section 561(1) of the Act did not apply to any such allotment.



- 3.2 **THAT**, subject to the passing of Resolutions 1 and 2 above, all rights of pre-emption contained in the Company's Articles of Association or otherwise be and are hereby waived and that the Directors of the Company be and are hereby authorised to exercise all powers of the Company to allot the following shares to the following persons:

Name of Allottee	Number of Ordinary Shares	Number of A Ordinary Shares	Number of Preference Shares
Oliver Bryssau	115	0	0
Henri Wust	115	0	0
Finance Yorkshire Equity LP acting by its general partner Finance Yorkshire Equity GP Limited	0	432	711,000
Mark Hurley	0	22	0

4. Articles of Association

THAT the regulations contained in the printed document attached hereto be and are hereby adopted as the Articles of Association of the Company in substitution for and to the exclusion of the Existing Articles of Association of the Company.

Please read the notes at the end of this document before signifying your agreement to the Resolutions.

The undersigned member entitled to vote on the above Resolutions on the Circulation Date, hereby irrevocably agrees to the Resolutions


OLIVER JOSEPH BRYSSAU

Dated: 1 March 2016


HENRI THIERRY LEON WUST

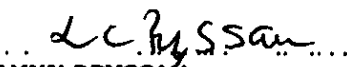
Dated: 1 March 2016


BERNARD BRYSSAU

Dated: 1 March 2016


DAVID BRYSSAU

Dated: 1 March 2016


LYNN BRYSSAU

Dated: 1 March 2016

NOTES

1. You can choose to agree to all of the Resolutions or none of them, but you cannot agree to only some of the Resolutions. If you agree to all of the Resolutions, please indicate your agreement by signing and dating this document where indicated above and return it by hand or by post to the Company's Registered Office at Unit 9 Yorkshire Way, Armthorpe, Doncaster, South Yorkshire DN3 3FB.

If you do not agree to the Resolutions, you do not need to do anything: you will not be deemed to agree if you fail to reply.

2. Once you have indicated your agreement to the Resolutions, you may not revoke your agreement.
3. Unless within 28 days of the Circulation Date sufficient agreement has been received for the Resolutions to pass, they will lapse. If you agree to the Resolutions, please ensure that your agreement reaches us before or during this date.
4. In the case of joint holders of shares, only the vote of the senior holder who votes will be counted by the Company. Seniority is determined by the order in which the names of the joint holders appear in the register of members.
5. If you are signing this document on behalf of a person under a power of attorney or other authority, please send a copy of the relevant power of attorney or authority when returning this document.

OB
HW

Company number: 07486862

THE COMPANIES ACT 2006
ARTICLES OF ASSOCIATION
OF
ORIGIN BROADBAND LTD
Incorporated 10 January 2011

Adopted on 2 March 2016

WALKER MORRIS LLP
Kings Court
12 King Street
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Tel 0113 2832500
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Ref. OOD/BHP/NEO 20-73

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ORIGIN BROADBAND LTD
(the Company)

ARTICLES OF ASSOCIATION

Adopted on 2 March 2016

1 PRELIMINARY

The Articles contained in Schedule 1 to the Companies (Model Articles) Regulations 2008 (the **Model Articles**) shall apply to the Company except to the extent that they are excluded or varied by these articles and references to the **Company's Articles** in such amendments shall be references to these articles. The Model Articles (save as so excluded or varied) and these Articles shall be the regulations of the Company.

2 INTERPRETATION

2.1 In these articles the following expressions have the following meanings.

Act means the Companies Act 2006, including any statutory modification or re-enactment of such act for the time being in force;

Adoption Date means the date these articles were adopted on, as written at the start of these articles,

Appointor has the meaning given to that term in article 14 1;

Associated Company has the meaning given to such expression by section 256 of the Act.

Bad Leaver means a Leaver who ceases or ceased (as the context so requires) to be a director or employee of any Group Company and who is not a Good Leaver;

Bad Leaver's Shares shall have the meaning set out in article 23 3 1,

Board means the board of directors of the Company (or any duly authorised committee

thereof) from time to time,

Board Direction means the giving of prior written direction by the Board;

Business Day means any day (other than a Saturday or Sunday) on which clearing banks are open for a full range of banking transactions;

BVCA means the British Venture Capital Association;

Conflict Situation means any situation or matter (other than one which cannot reasonably be regarded as likely to give rise to a conflict of interest) in which any director has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company, including (without limitation) any such situation or matter which relates to the exploitation of property, information or opportunity (irrespective of whether the Company could take advantage of the property, information or opportunity);

Control has the meaning attributed by section 1124 CTA 2010 and **Controlled** shall be construed accordingly,

Defined Group means any Investors and its subsidiary undertakings and group undertakings and

- (a) any partnership of which any of them is general partner, manager or adviser,
- (b) any unit trust or fund (whether a body corporate or otherwise) of which any of them is trustee, manager, adviser or general partner,
- (c) any Co-Investment Scheme; and
- (d) any unit trust, partnership or fund (whether a body corporate or otherwise) the managers of which are advised by any of them.

in each case from time to time and excluding any Portfolio Company,

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 Trust means a trust established with Investor Consent and whose beneficiaries are the bona fide employees of any Group Company,

Employee means a person who from time to time is a director and/or an employee of any Group Company or whose services are made available to any Group Company under the terms of an agreement with any Group Company from time to time (and **employment** shall be construed accordingly to include such an agreement),

Encumbrance means a mortgage, charge, debenture, pledge, lien, option, restriction, right of first refusal, right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or any other security, agreement or arrangement however created or arising having similar effect;

Executed means any mode of execution;

Fair Price means such price per Share (or a particular price per Share of each different class held) as is agreed or determined in accordance with Articles 25.1 2 and 25.1 3;

Good Leaver means a Leaver who:

- (a) ceases or ceased (as the context so requires) to be an employee or director of any Group Company as a result of
 - (i) death;
 - (ii) ill health or permanent disability (save where such illness or permanent disability is due to the abuse of alcohol or drugs) which in the reasonable opinion of the Investors is sufficiently serious to prevent him from carrying out his normal duties in accordance with his terms of employment or engagement;
 - (iii) redundancy;
 - (iv) dismissal from employment by the relevant Group Company in circumstances where it is agreed by the Company, with Investor Consent, that such dismissal amounts to unfair or wrongful dismissal or a court or tribunal of reputable standing determines such dismissal amounts to unfair or wrongful dismissal (and either no appeal has been made against such finding within the requisite timeframe or any appeal has not been upheld); or
- (b) is resolved by the Investor to be treated as a Good Leaver notwithstanding that the Leaver does not fall within any of the categories set out in paragraph (a)

above,

Group means the Company and its Subsidiaries (if any) for the time being and **Group Company** means any of them,

Institutional Investor means any person whose business is (whether in whole or in part) to make, manage or advise on investments together with any trustee or nominee of the same,

Investors means the holders from time to time of the majority of the A Ordinary Shares or any nominee of any such person and **Investor** means any of them,

Investor Consent means the giving of a prior written consent by the Investors,

Investor Director has the meaning set out in article 15 1,

Investment Agreement means the investment agreement dated on or around the Adoption Date between amongst others (1) the Company, (2) the Shareholders (as defined therein), (3) Finance Yorkshire Equity L.P. acting by its general partner Finance Yorkshire Equity G P Limited and (4) Viking Fund Managers Limited;

Issue Price means the price per Share paid on the allotment and issue of such Share (including any share premium);

Leaver means:

- (a) any person who ceases to be an Employee for whatever reason;
- (b) any Shareholder (not being an Investor, or an A Ordinary Shareholder or an Employee Trust) to whom any Shares have been transferred by any Employee (other than pursuant to Articles 23.3 or 23) who ceases to be an Employee;
- (c) any person who becomes entitled to any Shares:
 - (i) on the death or bankruptcy of a Shareholder (if an individual), or
 - (ii) on the exercise of an option after ceasing to be an Employee,
- (d) any Shareholder holding Shares as a nominee for any person who ceases to be an Employee,

Leaver's Shares means the Shares of any person who is a Leaver but excluding any

Bad Leaver's Shares;

Leaving Date the earlier of the date on which the relevant person becomes a Leaver or, where a Shareholder will become a Leaver because a person has given, or been given, notice under his employment agreement such that he will cease to be an Employee on the expiry of the relevant notice period (if any), the date on which such notice is given,

Listing means

- (e) both the admission of any of the Shares to the Official List of the Financial Services Authority becoming effective and the admission of any of the Shares to trading on the LSE's market for listed securities, or
- (f) the admission to trading of any of the Shares on the AIM of the LSE becoming effective; or
- (g) the equivalent admission to trading to or permission to deal on any other recognised investment exchange (as defined in section 285(1) of the Financial Services and Markets Act 2000) becoming effective in relation to any of the Shares;

LSE means the London Stock Exchange plc,

Loan Agreements means the loan agreement dated 30 June 2015 between, amongst others, (1) Finance Yorkshire Equity L P acting by its general partner Finance Yorkshire Equity G P Limited and (2) the Company and the loan agreement dated 24 November 2015 between, amongst others, (1) Finance Yorkshire Equity L.P. acting by its general partner Finance Yorkshire Equity G.P. Limited and (2) the Company,

Material Default means.

- (a) a material breach of the Investment Agreement or these Articles having occurred and such breach (if capable of remedy) not having been remedied to the reasonable satisfaction of the Investors within 20 Business Days of the breach or receipt of a written notice from the Investors which requires such material breach to be remedied and for these purposes any breach of clause 10.1 of the Investment Agreement shall constitute a material breach of the Investment Agreement;
- (b) the occurrence of an Insolvency Event,

- (c) any fees, interest or other amount payable to the Investors under the Investment Agreement not being paid within 10 Business Days of its due date (for any reason whatsoever);
- (d) any sum (whether capital, interest or otherwise) payable under the Loan Agreements not being paid within 10 Business Days of its due date (for any reason whatsoever);
- (e) any third party funder of any Group Company (including any provider of banking facilities) from time to time becoming entitled to declare the whole or any part of any facilities provided by it to any Group Company due and payable in advance of its stated maturity date as a result of any default in respect of such facilities and such provider not having formally waived such entitlement in writing to the satisfaction of the Investors,
- (f) the whole or any part of the loans under the Loan Agreements, or other finance facilities provided to any Group Company by the Investors, becoming capable of being declared due and payable in advance of its stated repayment date as a result of any default in respect of such facilities and such entitlement not having been formally waived in writing,
- (g) any amount owed by any Group Company to any tax authority, employee or any person with a right to distrain or enforce any Encumbrance over any asset of any Group Company not being paid within 20 Business Days of it being due;
- (h) any circumstance arising in respect of any Group Company which could lead to an Insolvency Event or any Group Company breaching any of its covenants or obligations under the Loan Agreement or other finance facilities provided to any Group Company by the Investors, or under any facilities provided by any other third party funder (including any provider of banking facilities) from time to time;

Material Default Notice means a notice in writing served by the Investors on the Company following a Material Default notifying the Company that articles 5.5.2 and/or 9.6 apply,

Material Default Period means a period commencing on the occurrence of a Material Default and ending on the Material Default being rectified to the reasonable satisfaction of the Investors;

Office means the registered office of the Company;

Ordinary A Shares means the Ordinary A Shares of £1.00 in the capital of the Company,

Ordinary A Shareholder means a person to be or entered in the register of members of the Company as holders of the Ordinary A Shares from time to time and Ordinary A Shareholders shall be accrued accordingly;

Ordinary Shareholder means a person entered in the register of members of the Company as the holder of one or more Ordinary Shares from time to time and **Ordinary Shareholders** shall be construed accordingly;

Ordinary Shares means ordinary shares of £1.00 each in the capital of the Company;

Portfolio Company means

- (a) the Company,
- (b) any Associated Company;
- (c) any body corporate promoted by the Company, and
- (d) any other body corporate or other entity in which the Company, an Investor or a member of an Investor's Group is otherwise interested,

Pre-Authorised Situations means the following Conflict Situations:

- (i) holding any office, employment or engagement with any Group Company,
- (j) participating in any scheme, transaction or arrangement for the benefit of the employees or former employees of any Group Company (including any pension fund or retirement, death or disability scheme or any bonus or employee benefit scheme), or
- (k) holding, or otherwise being interested, directly or indirectly, actually or potentially, in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures) in any Group Company,

Pre-Authorised Investor Director Situations means the following Conflict Situations:

- (a) holding any office, employment or engagement with an Investor, a member of an Investor's Group, any Group Company or any Portfolio Company,
- (b) holding, or otherwise being interested, directly or indirectly, actually or potentially (including for the avoidance of doubt in relation to any carried interest or similar arrangement or through the direct or indirect participation in any Co-investment Scheme), in any shares or debentures or other securities or interests (or any rights to acquire or options over or any other rights in respect of any shares or debentures or other securities or interests) in an Investor, a member of an Investor's Group, any Group Company or any Portfolio Company,
- (c) being, and acting as a representative of the Investors (or any of them) for the purposes of monitoring and evaluating their investment in the Company and the Group which may include:
 - (i) attending and voting at meetings of the directors (or any committee thereof) of any Group Company at which any relevant matter will or may be discussed and receiving board papers relating thereto,
 - (ii) receiving confidential information and other documents and information relating to any Group Company, using and applying such information in performing his duties as a director, officer or employee of, or consultant to, an Investor, a member of an Investor's Group, or any other Group Company and disclosing information to third parties in accordance with these Articles or the Investment Agreement, and
 - (iii) giving or withholding consent or giving any direction or approval under these Articles or the Investment Agreement;
- (d) following the occurrence of a Material Default, taking any action including (without limitation) taking any action in relation to, for the purposes of, or as a result of
 - (i) creating, constituting, increasing, reducing, allotting or issuing any share or loan capital or other interests,
 - (ii) redesignating, sub-dividing, converting, capitalising or otherwise varying any share or loan capital or other interests;
 - (iii) any restructuring, reconstruction, insolvency, administration, receivership

or other arrangement relating to the structuring of the Group or any Group Company or its share or loan capital, other interests, assets and liabilities, or

- (iv) any exercise by the Investors or the Investor Director of any rights under these Articles,

Preference Shares means the Preference Shares of £1.00 in the capital of the Company;

Preference Shareholder means a person entered in the register of members of the Company as the holder of the Preference Shares from time to time and Preference Shareholders shall be construed accordingly,

Privileged Relation means as regards any particular individual member or deceased or former individual member

- (a) their spouse or civil partner (provided such person shall cease to be a Privileged Relation if they cease to be such person's spouse or civil partner),
- (b) all their direct descendants and ascendants in direct line of that individual a husband or wife or widower or widow of any such person, a step-child or adopted child shall be deemed to be a direct descendent of such person; and
- (c) their surviving spouse or civil partner;

Realisation means the sale of (or the grant or a right to acquire or dispose of) any Shares (in one transaction or a series of transactions) which would, if completed, result in the buyer of those Shares (or grantee of that right) and persons acting in concert with him together acquiring Control of the Company, except where the Shareholders and the proportion of Shares held by each of them following completion of the sale are the same as the Shareholders and their shareholdings in the Company immediately before the sale,

Realisation Value means the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the broker or, if none, the merchant bank, investment bank, sponsor or nominated adviser (as the case may be) appointed by the Board to advise in connection with the Listing;

Relevant Benefits means any pension (including an annuity), lump sum, gratuity or other like benefit given or to be given on retirement or on death, or by virtue of a pension sharing order or provision, or in anticipation of retirement, or, in connection with past service, after retirement or death, or to be given on or in anticipation of or in connection with any change in the nature of the service of the employee in question (for the purpose of this definition **employee** includes (a) (in relation to any company) any officer of the company, any director of the company and any other person taking part in the management of the affairs of the company, and (b) a person who is to be or has been an employee and the terms **service** and **retirement** are to be construed accordingly);

Secretary means the secretary of the Company or any director or other person appointed to perform the duties of the secretary of the Company, including a joint, assistant or deputy secretary;

Shares means any shares in the capital of the Company from time to time and **share** shall be construed accordingly,

Shareholder means the holder of shares from time to time and Shareholders shall be construed accordingly,

Subsidiary means a subsidiary (as defined in Section 1159, CA2006) or a subsidiary undertaking (as defined in Section 1162, CA2006) and "**Subsidiaries**" shall be construed accordingly; and

Trigger Date means the date that is 10 Business Days after the Leaving Date.

- 2 2 Save as otherwise specifically provided in these articles, words and expressions which have particular meanings in the Act or the Model Articles shall have the same meanings in these articles, but excluding any statutory modification not in force when these articles are adopted Headings are for convenience only and shall not affect construction.

3 **LIMITATION OF LIABILITY**

The liability of the Shareholders is limited to the amount, if any, unpaid on the Shares held by them.

4 **SHARE CAPITAL**

- 4 1 The share capital of the Company is divided into Ordinary Shares, A Ordinary Shares

and Preference Shares as used from time to time.

4.2 Regulation 36 of the Model Articles shall be modified as follows

4.2.1 by inserting the words "*or in or towards paying up, on their behalf the amounts , if any for the time being unpaid on any shares held by each person entitled respectively*" at the end of regulation 36(3), and

4.2.2 by inserting the words "*(credited up as fully paid)*" after the word debentures in regulation 36(5)(c)

4.3 Whenever as a result of consolidation of Shares any Shareholders would become entitled to fractions of a share, the directors may, on behalf of those Shareholders, sell the Shares representing the fractions for the best price reasonably obtainable to any person (including, subject to the provisions of the Act, the Company) and distribute the net proceeds of sale in due proportion among those members, and the directors may authorise some person to execute an instrument of transfer of the Shares to, or in accordance with the directions of, the purchaser. The transferee shall not be bound to see to the application of the purchase money nor shall his title to the Shares be affected by any irregularity in or invalidity of the proceedings in reference to the sale.

4.4 The Company may purchase its own shares with cash up to an amount in a financial year not exceeding the lower of £15,000 or the value of five per cent. of its share capital provided it has Investor Consent

5 SHARE RIGHTS

5.1 General

Except as expressly provided otherwise in these articles the Ordinary Shares, the A Ordinary Shares and the Preference Shares shall rank *pari passu* in all respects.

5.2 Income

In respect of each of the financial years of the Company the holders of the Preference Shares shall be entitled to receive, in priority to the holders of any other class of Shares, and the Company shall pay, a cumulative net cash dividend, equal to 10 per cent. of the aggregate Issue Price of the Preference Shares in issue on the date that the relevant Preferred Payment is due to be paid in accordance with article 5.2.2 (each a **Preferred Dividend**)

- 5.2.1 Each Preferred Dividend shall be payable annually to the Preference Shareholder within 30 days of the signing of the statutory financial statements or audited accounts (as the case may be) of the Company for the relevant financial year which signing shall be no later than 90 days from each financial year end (the **Preferred Payment**). The Preferred Payment shall be paid on or before the due date notwithstanding that there has not been any resolution of the directors or the Company in a general meeting
- 5.2.2 If the Company is unable to pay the Preferred Payment in full on the annual due date because there is insufficient available cash or distributable reserves, it shall pay the Preferred Payment on the earliest date that it is lawfully able to do so. To the extent that any Preferred Payment or any part of a Preferred Payment is not paid before the annual due date, it shall immediately become a debt due from the Company and shall be payable, together with any interest accrued in accordance with article 5.2.4, in priority to any other dividend. If more than one Preferred Payment is overdue for payment, the oldest Preferred Payment outstanding shall be paid first.
- 5.2.3 If a Preferred Payment is not paid in full within 120 days of the end of the financial year which that Preferred Payment refers to or if earlier, within 30 days of the date of signing of the statutory financial statements or audited accounts (as the case may be) of the Company for the relevant financial year, interest will accrue on the amount not paid at the rate of one per cent per calendar month from that date up to and including the date the arrears of the Preferred Payment are paid and such interest shall compound on the final day of each month. Any interest accrued pursuant to the foregoing provisions shall be paid to the holders of the Preference Shares entitled thereto at the same time as the arrears of the Preferred Payment are paid
- 5.2.4 Subject to (i) the Board recommending payment of the same, and (ii) Investor Consent, any profits of the Company available for distribution, following distribution to the Preference Shareholders in accordance with articles 0 to 5.2.4, in respect of any financial year, shall be distributed exclusively amongst the holders of the Ordinary Shares and the A Ordinary Shares pro rata according to the number of Ordinary Shares and the A Ordinary Shares held
- 5.2.5 The Company shall procure (so far as it is able) that each of its subsidiaries and each of its subsidiary undertakings from time to time which has profits

available for distribution shall from time to time declare and pay to the Company (or, as the case may be, the relevant Group Company that is its immediate holding company or parent undertaking) such dividends as are necessary to permit lawful payment by the Company of any dividend.

5.3 Capital

On a return of assets on liquidation or capital reduction or otherwise, the assets of the Company remaining after the payment of its liabilities (including any sums owed to the Preference Shareholders under any arrangement or agreement), shall be distributed in the order of priority set out in article 5.5

5.4 Redemption

5.4.1 The Preference Shares shall be redeemable

5.4.2 The Company will (subject to the Act) redeem the Preference Shares in full upon the earlier of

(a) a Realisation occurring; or

(b) 1 December 2017

5.5 Voting

5.5.1 Subject to any special rights or restrictions as to voting attached to any shares, the Ordinary Shareholders and the A Ordinary Shareholders shall be entitled to receive notice of and attend and speak at any general meetings of the Company and in accordance with article 29.1 no business shall be transacted at any general meeting of the Company save by way of a poll.

5.5.2 Throughout any Material Default Period the voting rights attaching to the A Ordinary Shares shall be amended to the effect that on a poll each holder of A Ordinary Shares who is present in person or by proxy or (being a corporation) which is present by a representative or by proxy shall have one hundred thousand votes for every A Ordinary Share of which he is the holder

5.5.3 For the avoidance of doubt, the provisions in article 5.5.2 shall, where applicable, enable the holders of any A Ordinary Shares in issue from time to time together

- (a) to pass written resolutions of the Company pursuant to section 282(2) or section 283(2) of the Act; and
- (b) to consent to the holding of a general meeting of the Company on short notice pursuant to section 307(4) of the Act

5.5.4 The Preference Shares shall be non-voting

5.6 Realisation

5.6.1 On a Realisation, following repayment of the Companies' debts and the redistribution of the Preference Shares in accordance with article 5.4.1.2 (unless such debts are to remain in place with Investor Consent), the Investors shall elect for the proceeds shall be allocated and paid to the Shareholders as follows:

- (a) first, if the Preference Shares have not been redeemed in accordance with article 5.4, in paying the Preference Shareholders the Issue Price of each Preference Share held,
- (b) second, in paying the Preference Shareholders any Preferred Payments which are due to be paid but which remain outstanding (plus all accrued interest),
- (c) third, in paying the A Ordinary Shareholders the Issue Price of each A Ordinary Share held,
- (d) fourth, in paying the Ordinary Shareholders the Issue Price of each Ordinary Share held, and
- (e) thereafter, in distributing the balance among the holders of the Ordinary Shares and the A Ordinary Shares pro rata to the number of Ordinary Shares and A Ordinary Shares held by each of them

5.6.2 Immediately prior to and conditionally upon a Listing, the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the Investors may reasonably specify, to ensure that the Realisation Value is re-allocated between the Shareholders in the same proportions as the preceding provisions of this article would provide on a Realisation.

5.7 Variation of Rights

5.7.1 The Company shall not be entitled to issue any further shares ranking as regards participation in the profits and assets of the Company either in priority to or ranking alongside the Preference Shares or A Ordinary Shares save with the consent or sanction of the holders of the Preference Shares or Preference A Shares given in accordance with the provision of article 5.7 2

5 7 2 Subject to the Act, all or any of the special rights for the time being attached to any class of shares then in issue may (whether or not the Company is being wound up) be altered or abrogated with the consent in writing of the holders of not less than 75 per cent. 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 such shares. To any such separate general meeting all the provisions of the regulations of the Company shall apply as if set out in full in this article, but so that the necessary quorum shall be two persons at least holding or representing by proxy not less than one-third of the issued shares of the relevant class. If such separate meeting shall be adjourned owing to the absence of a quorum and if at the adjourned meeting a quorum shall not be present within half-an-hour from the time appointed for such adjourned meeting, the holder or holders of shares of the class concerned who are present in person or by proxy shall constitute a quorum. Every holder of shares of the class shall be entitled on a poll to one vote for every such share held by him and any holder of shares of the class present in person or by proxy may demand a poll.

6 COMMITTEES

Where a provision of the articles refers to the exercise of power, authority or discretion by the directors and that power, authority or discretion has been delegated by the directors to a committee, the provision shall be construed as permitting the exercise of power, authority or discretion by the committee. Article 7 of the Model Articles shall be modified accordingly

7 CALLING A DIRECTORS' MEETING

Notice of every meeting of the directors shall be given to each director and his alternate and the Investor Director and his alternate including directors and alternate directors who may for the time being be absent from the United Kingdom and have given the Company an address within the United Kingdom for service. Article 9.3 of the Model Articles shall be modified accordingly.

8 PARTICIPATION IN DIRECTORS' MEETINGS

Article 10.1 of the Model Articles shall be amended by substituting for the words "*directors participate in a directors' meeting, or part of a directors' meeting*" the following words

"...directors (including alternate directors) participate in a directors' meeting or a meeting of a committee of the directors, or a part of any such meeting..."

9 QUORUM FOR DIRECTORS' MEETINGS

9.1 Notice of every meeting of the directors shall be given to each director.

9.1.1 at any address in the United Kingdom supplied by him to the Company for that purpose whether or not he is present in the United Kingdom; or

9.1.2 at any address for sending communications by electronic means supplied by him to the Company for that purpose,

provided that any director may waive notice of any meeting either prospectively or retrospectively by notice to the Company and if he does so it shall be no objection to the validity of the meeting (or any business conducted at it) that notice of the meeting was not given to him. Not less than five Business Days prior notice of a Board meeting shall be given (subject to Article 48(3) of the Model Articles) unless the requirement for notice is waived by the directors or otherwise agreed by Investor Consent or, during a Material Default Period, required by Investor Direction

9.2 Notices of meetings of the directors shall be given in writing

9.3 Article 11 of the Model Articles (as modified) shall be subject to articles 9.4, 9.5 and 10 and shall be modified by the substitution of the following words in place of the words in Article 11(2) of the Model Articles:

"The quorum for directors' meetings is one and a person who holds office only as an alternate shall be counted in the quorum unless his appointor is present"

9.4 Any director including an alternate director may participate in a meeting of the directors or a committee of the directors of which he is a member by means of a conference telephone or similar communications equipment whereby all persons participating in the meeting can hear each other and participation in a meeting in this manner shall be deemed to constitute presence in person at such meeting and, subject to these Articles and the Act, he shall be entitled to vote and be counted in a quorum accordingly. Such a

meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the director chairing the meeting then is or where the directors decide.

9.5 Subject to article 10, any quorum for the transaction of business at a meeting of the directors shall, save with Investor Consent, include the Investor Director (if appointed) and Article 7 of the Model Articles shall be modified by the insertion of the words "*other than article 9.5 of the Company's Articles*" at the end of regulation 7(2). In circumstances where there is only one director of the Company the quorum for a meeting shall be one.

9.6 If during any meeting of the Board during a Material Default Period, subject to articles 5.5.2 and 9.3, but notwithstanding any other provision of these Articles:

9.6.1 the Investor Director votes against any resolution put to that meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it and notwithstanding any of the other provisions of these articles or any regulation of the Model Articles to the contrary, and

9.6.2 the Investor Director votes in favour of any resolution put to that meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against such resolution exceeds those cast in its favour and notwithstanding any of the other provisions of these articles or any regulation of the Model Articles to the contrary.

9.7 A resolution in writing signed by all the directors entitled to receive notice of a meeting of directors or of a committee of directors shall be as valid and effectual as if it had been passed at a meeting of directors or (as the case may be) a committee of directors duly convened and held and may consist of several documents in the like form each signed by one or more directors, but a resolution signed by an alternate director need not also be signed by his appointor and, if it is signed by a director who has appointed an alternate director, it need not be signed by the alternate director in that capacity. Regulation 7 of the Model Articles shall be modified by the substitution in regulation 7(1) of the words "*article 9.7 of the Company's Articles*" in place of "*article 8*".

9.8 Minutes of meetings of the Board shall be prepared and circulated as soon as practicable and circulated to each director not more than five Business Days after the meeting and Article 15 of the Model Articles shall be modified accordingly.

10 DIRECTORS' CONFLICTS OF INTEREST

10.1 Transactional Conflicts

10.1.1 Subject to the provisions of the Act and provided that he has disclosed to the directors the nature and extent of any material interest of his, a director notwithstanding his office:

- (a) may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
- (b) may be a director or other officer of or employed by or be a party to any transaction or arrangement with or otherwise interested in any body corporate promoted by the Company or in which the Company is in any way interested;
- (c) may (and any firm or company of which he is a partner or member or director may) act in a professional capacity for the Company or any body corporate in which the Company is in any way interested;
- (d) shall not by reason of his office be accountable to the Company for any benefit which he derives from such office service or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit; and
- (e) shall, subject to articles 10.1.2 and 10.24, and the terms of any authorisation under article 10 be entitled to vote and be counted in the quorum on any resolution concerning a matter in which he has direct or indirectly an interest or duty

10.1.2 For the purposes of article 10.1.1:

- (a) a general notice to the directors that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified,

- (b) an interest of which a director is not aware and of which it is unreasonable to expect him to be aware shall not be treated as an interest of his; and
- (c) an interest of a person who is for any purpose of the Act (excluding any statutory modification not in force when these articles were adopted) 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.

10.2 Authorisation of Situational Conflicts

- 10.2.1 To the fullest extent possible by law and subject to the other provisions of the articles, for the purposes of section 180(4)(a) of the Act, any director (including the Investor Directors) shall be authorised in respect of the Pre-Authorised Situations and the Investor Director shall be authorised in respect of the Pre-Authorised Investor Director Situations provided that the Board (with Investor Consent) may revoke, or make subject to such terms and conditions as it thinks fit any such authorisation
- 10.2.2 To the fullest extent permitted by law and subject to the other provisions of these articles, the directors (for the purposes of section 175(4)(b) of the Act) and the Company by ordinary resolution (for the purposes of section 180(4)(a) of the Act) may authorise any Conflict Situation.
- 10.2.3 Any authorisation under 10.2 shall:
 - (a) be subject to Investor Consent (save where the authorisation relates only to one or more Investor Director(s));
 - (b) be on such terms and conditions as may be set out in such Investor Consent or (if the authorisation relates only to one or more Investor Director(s)), as resolved by the Company or the Board (and any such terms and conditions may be revoked or varied by Investor Consent or resolution of the Shareholders or relevant directors as appropriate),
 - (c) extend to any actual or potential Conflict Situation which may reasonably be expected to arise out of the matters expressly authorised.

10.2.4 Notwithstanding articles 9.3, 9.5 and 9.6 (and without prejudice to article 10.2.5(a)), at any meeting of the directors where the authorisation of a Conflict Situation pursuant to article 10.2.2 is being considered.

- (a) where the Conflict Situation does not relate to the Investor Director, the quorum shall be one and shall include the Investor Director;
- (b) where the Conflict Situation relates to the Investor Director the quorum shall be two and shall not include any director to whom that Conflict Situation relates but shall include any Chairman of the Board unless he is also so interested, and
- (c) any resolution of the directors authorising the Conflict Situation can only be passed where any directors to whom that Conflict Situation relates do not vote or where the resolution would have been passed without counting the votes of any such interested director who votes

10.2.5 Subject to authorisation of a Conflict Situation in accordance with these articles (including under article 10.2.1) and any terms or conditions applying to such authorisation, a director

- (a) may count in the quorum for and vote at any meeting (or part of a meeting) of the Board at which the authorised Conflict Situation is considered (and may receive notices of and documents and information relating to such meetings/parts of meetings),
- (b) shall not be required to disclose to the Company any confidential information obtained as a result of the authorised Conflict Situation (save where also lawfully obtained as a result of his position as a director of the Company) where do so would result in the director breaching a duty of confidentiality owed as a result of or in relation to the authorised Conflict Situation;
- (c) shall not be accountable to the Company for any benefit he (or a person connected with him) derives from any matter relating to the authorised Conflict Situation and any contract or arrangement relating to the Conflict Situation shall not be liable to be avoided on the ground of any such benefit.

10.2.6 Where proposals concerning the authorisation by the directors of Conflict

Situations of two or more directors under article 10.2.2 are under consideration, such directors' interests may be divided and considered separately for each director and each such director may form part of the quorum and vote in relation to each resolution except any resolution(s) concerning his own Conflict Situation(s) (provided he is not otherwise precluded from voting or forming part of the quorum)

10.2.7 Each director shall comply with any obligations imposed on him pursuant to any such authorisation (whether by the directors, the Shareholders or as set out in the relevant Investor Consent)

10.2.8 For the purposes of this article 10.2

- (a) any reference to a conflict of interest includes a conflict of interest and duty and a conflict of duties,
- (b) an interest of a person connected with a director for the purposes of the Act shall be treated as an interest of the director; and
- (c) an interest of the appointor of an alternate director shall be treated as an interest of the alternate director (together with any interest which the alternative director has otherwise)

11 RECORDS OF DECISIONS TO BE KEPT

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

12 BORROWING POWERS

The directors may exercise all the powers of the Company to borrow money without limit as to amount and upon such terms and in such manner as they think fit, and subject (in the case of any security convertible into shares) to section 549 of the Act to grant any mortgage, charge or standard security over its undertaking, property, and uncalled capital, or any part of its undertaking, property and uncalled capital, and 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.

13 APPOINTMENT AND REMOVAL OF DIRECTORS

13.1 In any case where, as a result of death or bankruptcy, the Company has no shareholders

and no directors, the transmittee(s) of the last shareholder to have died or to have had a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing, to appoint a person, who is willing to act and is permitted to do so, to be a director. For the purposes of this article 13, where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is presumed to have survived an older shareholder. Articles 17.2 and 17.3 of the Model Articles shall not apply to these articles.

- 13.2 Where any director who is also an employee of the Company is dismissed from the employment of the Company, such director will be automatically removed as a director of the Company notwithstanding that there has not been a resolution of the Board to approve the director's removal.

14 ALTERNATE DIRECTORS

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

14.1.1 exercise that director's powers; and

14.1.2 carry out that director's responsibilities,

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

- 14.2 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.

- 14.3 The notice must:

14.3.1 identify the proposed alternate, and

14.3.2 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.

- 14.4 An alternate director has the same rights, in relation to any directors' meeting or any decision of the directors, as the alternate's appointor.

- 14.5 Except as these articles specify otherwise, alternate directors

14.5.1 are deemed for all purposes to be directors,

14.5.2 are liable for their own acts and omissions,

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

14.5.4 are not deemed to be agents of their appointors,

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

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

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

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

14.7 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision).

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

14.9 An alternate director's appointment as an alternate terminates:

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

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

14.9.3 when the alternate's appointor's appointment as a director ceases for whatever reason.

15 INVESTOR DIRECTORS AND OBSERVER

- 15.1 Notwithstanding any other provisions of these articles, the Investor shall be entitled by notice in writing to the Company to appoint two people as directors of the Company (each an **Investor Director**) and at any time and from time to time to remove from office in like manner any such person so appointed and to appoint another person in his place (such appointment, replacement or removal to have effect otherwise as set out in such notice). The Investor Directors shall have their reasonable expenses (which will not include any fees) paid by the Company. On the Adoption date the reasonable expenses for the first year of office of the Investor Director shall not exceed £10,000 per annum (plus VAT)
- 15.2 On any resolution to remove an Investor Director, the A Ordinary Shares shall carry at least one vote in excess of 75 per cent. of the votes exercisable at the general meeting at which such resolution is proposed.
- 15.3 The Investor shall have the right to designate one representative to attend, as an observer, and speak but not vote at all meetings of the directors and at all meetings of all committees of the directors. Such representative will be entitled to receive all written materials and other information given to the directors and to members of the committees of the directors in connection with such meetings at the same time as those materials or information are given to the directors or, as the case may be, to such members. Such person may be designated by the Investor by notice in writing to the Company and may be replaced or removed at any time and from time to time in like manner (such designation, replacement or removal to have effect as otherwise set out in such notice).

16 DIRECTORS' EXPENSES

Article 20 of the Model Articles shall be amended by the insertion of the words "*alternate directors and the secretary*" before the words "*properly incur*".

17 CHAIRMAN OF THE BOARD AND SECRETARY

- 17.1 The Investor have the right at any time and from time to time to appoint any director as Chairman of the Board and shall have the right to remove from the office of Chairman of the Board any person appointed by it pursuant to this article and to appoint another director as Chairman of the Board in his or her place (such appointment or removal to have effect as otherwise set out in such notice).

17.2 The Chairman of the Board shall be entitled to exercise a second or casting vote in addition to any other vote he may have at any meeting of the Board where the votes cast have led to a deadlock.

17.3 The Board shall with Investor Consent have the right at any time and from time to time to appoint one of the directors of the Company or any other person as secretary of the Company and shall have the right with Investor Consent to remove from the office of secretary of the Company any person appointed by it pursuant to this article and to appoint another director or other person in his place (such appointment or removal to have effect as otherwise set out in such notice).

18 GRATUITIES AND PENSIONS

Subject to the Act, the directors may give and provide pensions, annuities, gratuities or any other benefits to or for past or present directors or employees (or their dependants) of the Company or any subsidiary or associated undertaking (as defined in section 1260 of the Act) of the Company and the directors shall be entitled to retain any benefits received by them or any of them by reason of the exercise of such powers.

19 CHANGE OF NAME

Subject to the Act, the directors may resolve to change the name of the Company from time to time without the need for a shareholder resolution

20 SHARE CERTIFICATES

In Article 25 2(c) of the Model Articles, the words "*evidence, indemnity and the payment of a reasonable fee*" shall be replaced with the words "*evidence and indemnity*"

21 ISSUE OF SHARES

21.1 Subject to these articles the pre-emption provisions of sections 561 and 562 of the Act shall apply to any allotment of the Company's Shares unless otherwise agreed with Investor Consent, provided that

21.1.1 any allotment of the Company's equity securities shall comprise Ordinary Shares and A Ordinary Shares (if already in issue at the time), the respective numbers of Ordinary Shares and A Ordinary Shares comprised in any such allotment to be calculated according to the proportions which each of the Ordinary Shares and A Ordinary Shares in issue immediately prior to such

allotment bears to the aggregate number of Shares in issue immediately prior to such allotment. An issue of Ordinary Shares and A Ordinary Shares under this article may be to any member of the Defined Group and not just to the entity or entities holding Ordinary Shares and A Ordinary Shares at that time and for the purposes of this article 21 any reference to **Equity Shareholders** shall include members of the Defined Group;

21.1.2 the period specified in section 562(5) of the Act shall be 20 Business Days

21.1.3 the Equity Shareholders who accept Shares shall be entitled to indicate that they would accept Shares that have not been accepted by other Equity Shareholders (**Excess Shares**) on the same terms as originally offered to all Equity Shareholders and the following provisions shall apply.

(a) it shall be a term of the allotment that, if Equity Shareholders of more than one class indicate that they would accept some or all of the Excess Shares, the Excess Shares shall be treated as having been offered, first, to all Equity Shareholders holding Shares of the same class as the Excess Shares in priority to all other classes of Equity Shareholder and thereafter, to the extent that all of the Excess Shares have not been applied for by such class of Equity Shareholder, the Excess Shares shall be treated as having been offered to all of the Equity Shareholders holding the other class of Shares,

(b) subject always to article 21.1.3(a), any Shares not so accepted shall be allotted to the Equity Shareholders who have indicated they would accept Excess Shares;

(c) such Excess Shares shall be allotted in the numbers in which they have been accepted by Equity Shareholders or, if the number of Excess Shares is not sufficient for all Equity Shareholders to be allotted all the Excess Shares they have indicated they would accept, then the Excess Shares shall be allotted as nearly as practicable in the proportion that the number of Excess Shares each Equity Shareholder indicated he would accept bears to the total number of Excess Shares applied for; and

21.1.4 subject to the other provisions of this article 21, for the purposes of those subsections of the Act the Ordinary Shares and A Ordinary Shares shall be

treated as one class save that all A Ordinary Shares and Preference Shares issued to any Ordinary Shareholders pursuant to this article 21 shall be designated or re-designated as Ordinary Shares prior to registration and all Shares issued to any A Ordinary Shareholders and Preference Shareholders pursuant to this article 21 shall be designated or re-designated as A Ordinary Shares and Preference Shares (as appropriate) prior to registration.

- 21.2 The Company may, subject to Investor Consent, exercise the powers of paying commissions conferred by the Act subject to the provisions of the Act, any such commission may be satisfied by the payment of cash or by the allotment of fully or partly paid Shares or partly in one way and partly in the other

22 PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES

- 22.1 Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor and, unless the Share is fully paid, by or on behalf of the transferee
- 22.2 If the directors refuse to register the transfer of a Share, they shall within two months after the date on which the transfer was lodged with the Company, send the notice of refusal to the transferee together with (unless the directors suspect that the proposed transfer may be fraudulent) the instrument of transfer
- 22.3 Subject to the registration of the Preference Shares or Preference A Shares and the permitted transfers set out in articles 23.1 and 23.2, the directors may in their absolute discretion refuse to register the transfer of any Share without being obliged to give a reason for such refusal and they may refuse to register the transfer of a Share on which the Company has a lien. They may also refuse to register a transfer unless:
- 22.3.1 it is lodged at the registered office or at such other place as the directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the directors may reasonably require to show the right of the transferor to make the transfer;
- 22.3.2 it is in respect of only one class of shares; and
- 22.3.3 it is in favour of not more than four transferees.
- 22.4 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these articles or any funding arrangement between the Company and the

Investor, subject to article 22.3, shall not otherwise be entitled to refuse to register any transfer of shares. For the purpose of ensuring that a particular transfer of Shares is permitted under the provisions of these articles and any funding arrangement, the directors may request the transferor, or the person named as transferee in any transfer lodged for registration, to furnish the Company with such information and evidence as the directors may reasonably think necessary or relevant. Failing such information or evidence being furnished to the satisfaction of the directors within a period of 28 days after such request the directors shall be entitled to refuse to register the transfer in question. Any transfer of Shares made or purported to be made in contravention of the provisions of these articles or any funding arrangement shall be of no effect.

22.5 No Shares may be transferred unless:

22.5.1 save for transfers pursuant to articles 23 (except where a provision in article 23 expressly requires Investor Consent to be obtained), article 24 or article 25, an Investor Consent has been obtained and any conditions to that Investor Consent or as agreed between the Shareholders (or the Shareholders amongst others) have been satisfied and subject to any restrictions in such Investor Consent, and

22.5.2 save where otherwise agreed by Investor Consent, the proposed transferee has entered into an agreement to be bound by the Investment Agreement in the form required by the Investment Agreement in respect of matters arising after the date upon which the proposed transferee becomes a shareholder in the Company

22.6 A reference in these articles to a transfer of Shares shall include:

22.6.1 a transfer of any interest in Shares (whether legal, beneficial or otherwise) including without limitation to any transferee (and regulations 27 and 28 of the Model Articles shall be subject to this article 22 and articles 23, and

22.6.2 any Encumbrance granted over Shares (including any direction by way of renunciation or otherwise by a Shareholder entitled to an allotment or issue of any Share that such Share be allotted or issued to some other person),

and these articles shall take effect accordingly

23 TRANSFERS OF SHARES

23.1 Permitted transfers by Investors

Notwithstanding any other provision in these articles, the following transfers may be made (without restriction as to price or otherwise and any such transfers shall be registered by the directors (subject to stamping)):

- 23.1.1 any holder of A Ordinary Shares or Preference Shares which is a body corporate may transfer any such shares to its ultimate parent company or any other body corporate Controlled, directly or indirectly, by it or its ultimate parent company provided always that the transferee gives an undertaking to the Company that, in the event of any such body corporate ceasing to be under the Control, directly or indirectly, of the original Shareholder or such ultimate parent company, immediately prior to it so ceasing such Shares shall be transferred to another body corporate under such Control (or to another person to whom such Shares may be transferred pursuant to this article 23) save that this proviso shall not apply where the body corporate remains a person to whom such Shares may be transferred pursuant to this Article 23 following such change of Control,
- 23 1.2 any A Ordinary Shares or Preference Shares which are held by or on behalf of an Investment Trust (as defined in Appendix 1 of the Listing Rules published by the UK Listing Authority) whose shares are listed on the Official List of the UK Listing Authority may be transferred to another such Investment Trust whose shares are also so listed;
- 23 1.3 any A Ordinary Shares or Preference Shares may be transferred to any member of the Defined Group or to any trustee or nominee for any such member provided always that the transferee gives an undertaking to the Company that, in the event of such transferee ceasing to be a member of the Defined Group or a trustee or nominee for any such member. immediately prior to it so ceasing such Shares shall be transferred to another person to whom such Shares may be transferred in accordance with this article 23, save that this proviso shall not apply where the former member, trustee or nominee remains a person to whom such Shares may be transferred pursuant to this article 23;
- 23.1 4 any A Ordinary Shares or Preference Shares held by or on behalf of a unit

trust or partnership or other unincorporated association or fund (whether a body corporate or otherwise) may be transferred or disposed of to the holder or holders of units in such unit trust or partners in such partnership or members of such unincorporated association or investors in such fund from time to time or to trustees for any such person,

23.1.5 any holder of A Ordinary Shares or Preference Shares which is a nominee or trustee, whether directly or indirectly, of a scheme, agreement or arrangement for the provision of Relevant Benefits may transfer any Shares to any other nominee or trustee, whether direct or indirect, for the same scheme, agreement or arrangement,

23.1.6 any A Ordinary Shares or Preference Shares held by a nominee or trustee of a partnership may be transferred to the partners or to any new nominee or trustee for such partnership;

23.1.7 any A Ordinary Shares or Preference Shares held by or on behalf of a partnership, unit trust, investment trust, unincorporated association or other fund (whether a body corporate or otherwise) or corporation may be transferred to another partnership, unit trust, investment trust, unincorporated association or other such fund or corporation which is managed or advised by the same manager or adviser as the transferor or by a holding company of such manager or adviser or any subsidiary company of such holding company, and

23.1.8 any A Ordinary Shares or Preference Shares may be transferred to an Institutional Investor or member of the BVCA

23.2 Other Permitted Transfers

23.2.1 Transfers from an Employee Trust

The trustee or trustees of an Employee Trust may, with Investor Consent, at any time transfer all or any Shares held by it to an Employee (and subject to any conditions or restrictions including as to price in such consent) at a price not less than the price paid per Share by the Employee Trust

23.2.2 Transfers to the Company

Any holder of Shares may at any time, with Investor Consent (and subject to

any conditions or restrictions including as to price in such consent), transfer Shares to the Company in accordance with the Act and these articles

23.2.3 Transfers with Shareholder Approval

A transfer of any Shares made with Investor Consent and the consent of holders of not less than 75 per cent in nominal value of the Shares (including the Investors) may be made without restrictions as to price or otherwise (save for any restrictions in such consent and subject to the satisfaction of any conditions in such consent).

23.2.4 Transfers pursuant to a Listing or article 26

A transfer of any Share made pursuant to and in accordance with a Listing or article 26 may be made without restriction as to price or otherwise (save as, where relevant, provided in article 26)

23.2.5 Transfers to Privileged Relations

Any holder of Shares (a **Transferor**) may at any time transfer up to 50 per cent of the shares originally issued or transferred to him to any Privileged Relation (**Transferee**), provided that such person undertakes to transfer such shares back to the relevant Transferor immediately upon such Transferee ceasing to be a Privileged Relation of the relevant Transferor

23.3 Transfers in respect of Leavers

23.3.1 Unless otherwise provided by Board Direction (at the sole discretion of the Investor), a Bad Leaver shall be deemed to have served on the Company on the Trigger Date a Transfer Notice under article 24.1 in respect of fifty per cent. of the Shares held by him and any Shares transferred to Privileged Relations under article 23.2.5 (such Shares subject to the Transfer Notice being the **Bad Leaver's Shares**) on the Company giving notice that he and any Privileged Relation have, with immediate effect, offered for sale all such Bad Leaver's Shares (unless otherwise specified by a notice of the Board (at the sole discretion of the Investor) served before the Trigger Date)

23.3.2 If the Bad Leaver's Shares amount to a number of Shares which is not a whole number, the number of Bad Leaver's Shares shall be rounded up to the nearest whole Share

- 23.3.3 Following such deemed service of a Transfer Notice pursuant to article 23.3.1, article 24 shall apply, save that each such Transfer Notice shall not specify any person to whom the Bad Leaver wishes to transfer his Bad Leaver's Shares nor contain a Total Transfer Condition but shall first offer the Bad Leaver's Shares to any employee benefit trust established from time to time (an **Employee Trust**) or to the Company or any individual replacing the Bad Leaver (**Relevant Individual**) as directed by the Board (with Investor Consent).
- 23.3.4 If the Employee Trust, Company or Relevant Individual (as appropriate) does not accept the offer referred to in article 23.3.3 within 21 days of it being made or if the Employee Trust, Company or Relevant Individual (as appropriate) only accepts the offer in part, the Bad Leaver's Shares (or those not taken up under article 23.3.3) shall be offered to the Equity Shareholders
- 23.3.5 Any Transfer Notice issued under article 23.3.1 shall specify only that the Sale Price shall be such price as is subsequently agreed or determined in accordance with article 25.1 and, for the purposes of article 24, the Bad Leaver and their Privileged Relations shall otherwise be treated as Sellers, and all the Bad Leaver's Shares of the relevant class (or, if otherwise specified by Investor Direction, such smaller number of Bad Leaver's Shares of the relevant class) shall otherwise be treated as the Sale Shares
- 23.3.6 Unless otherwise provided by a Board Direction (with Investor Consent), on any person becoming a Bad Leaver, any consent or Transfer Notice relating to a transfer of Shares by such Shareholder given prior to that Shareholder becoming a Bad Leaver shall immediately be revoked and no further Transfer Notice shall be given or deemed to be given in respect of such Bad Leaver's Shares except under article 23.3.1.
- 23.3.7 Unless otherwise provided by an Investor Direction, no Leaver's Shares shall, with effect from the Leaving Date, confer any right to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted for the purposes of determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution or a written consent of any Shareholder or class of Shareholders (including a consent to short notice) and the holder of such Shares shall not be entitled to be regarded as a Relevant

Shareholder for the purposes of the service of an Offer Notice pursuant to the pre-emption rights set out in article 24

23.3.8 A Leaver is permitted to participate in any allotment of Shares pursuant to article 21 provided that upon subscription by the Leaver for such Shares, the Shares shall not confer any right to receive notice of, attend or vote at any general meeting of the Company or meeting of the holders of Shares of the same class and such Shares shall not be counted for the purposes of determining the total number of votes which may be cast at any such meeting or for the purposes of a written resolution or a written consent of any Shareholder or class of Shareholders (including a consent to short notice) and shall not be entitled to benefit from the pre-emption rights set out in article 24

23.3.9 Any restrictions on the rights of Leaver's Shares shall cease to apply upon the transfer of such Shares to a person who is not a Leaver

24 PRE-EMPTION RIGHTS

24.1 Transfer Notice

Except in the case of a transfer pursuant to, or that gives rise to the rights granted to any Shareholder under, articles 23.1 or 23.2, a Shareholder who wishes to transfer any Shares (the **Seller**) shall give written notice to the Company copied to the Investor Director (a **Transfer Notice**). Each Transfer Notice shall (subject to article 23.3 in the case of a Leaver)

24.1.1 relate to one class of Shares only,

24.1.2 specify the number and class of Shares which the Seller wishes to transfer pursuant to that Transfer Notice (the **Sale Shares**);

24.1.3 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares, if any;

24.1.4 specify the Sale Price at which the Seller wishes to transfer the Sale Shares;

24.1.5 be deemed to constitute the Company as the Seller's agent for the sale of the Sale Shares at the Sale Price in the manner prescribed by these Articles; and

24.1.6 not be varied or cancelled without the consent of the Board (with Investor Consent).

24.2 Total Transfer Condition

The Seller may provide in the Transfer Notice that, unless buyers are found for all of the Sale Shares (and all of the Sale Shares referred to in any other Transfer Notice(s) served by the Seller on the same date), he shall not be bound to transfer any of such Shares (**Total Transfer Condition**) and any such provision shall be binding on the Company. Notwithstanding the other provisions of this article, if the Transfer Notice contains a Total Transfer Condition the Company may not make any allocation of Sale Shares unless and until it has found buyers for all such Shares.

24.3 Allocation by Investor Direction

The Board may by Board Direction with Investor Consent, within 15 Business Days after the later of service or deemed service of a Transfer Notice or agreement or determination of the Sale Price in accordance with article 25.1 (the **Start Date**), direct the Company to offer at the Sale Price such number of Sale Shares to such person or persons, as may be specified in the Investor Direction (including, for the avoidance of doubt, the Company and/or any Employee Trust). If any such offeree of the Sale Shares applies for any of them within 10 Business Days after the giving of an Board Direction pursuant to this article 24.3, the Company shall (with Investor Consent) within five Business Days after such application allocate to each such offeree the number of Sale Shares applied for. If all of the Sale Shares are so allocated, the provisions of article 24.4 shall not apply. If none or some only of the Sale Shares are so allocated, the provisions of article 24.4 shall have effect as if references to Sale Shares shall mean those Sale Shares not allocated in accordance with this article 24.3.

24.4 Offer Notice

24.4.1 The Company shall on the earliest to occur of:

- (a) the Business Day which is 15 Business Days after the Start Date, if an Board Direction has not been given pursuant to article 24.3,
- (b) the Business Day immediately following the expiry of the 10 Business Day period referred to in article 24.3, if an Board Direction has been given pursuant to article 24.3 and no applications have been received under article 24.3, or
- (c) the Business Day immediately following the expiry of the five Business Day period referred to in article 24.3 if applications have been received

under article 24.3,

give notice in writing to each of the Shareholders of the relevant class, being for such purposes each Shareholder registered as such on the date of service or deemed service of the Transfer Notice (other than the Seller and any Shareholder who has served or is deemed to have served a Transfer Notice which is still outstanding) (a **Relevant Shareholder**) offering for sale the Sale Shares at the Sale Price (an **Offer Notice**)

24 4.2 The Offer Notice shall include the details set out in the Transfer Notice and specify the basis on which the Sale Shares will be allocated and that each Relevant Shareholder shall have a period of 15 Business Days from the date of the Offer Notice within which to apply for some or all of the Sale Shares (the **Expiry Date**)

24 4 3 It shall be a term of the offer pursuant to a Transfer Notice that, if Relevant Shareholders of more than one class apply for some or all of the Sale Shares, the Sale Shares shall be treated as having been offered, first, to all Relevant Shareholders holding Shares of the same class as the Sale Shares in priority to any other class of Shareholder and thereafter, to the extent that all of the Sale Shares have not been applied for by such class of Relevant Shareholder (after the application of articles 24.4 4 and 24 4 5), the Sale Shares shall be treated as having been offered to all of the Relevant Shareholders holding the class of Shares shown in the line relevant to the class of Sale Shares in columns below in that order of priority.

(1) Excess Shares	(2) Offered first to	(3) Offered second to
A Ordinary Shares	Preference Shareholders	Ordinary Shareholders
Preference Shares	A Ordinary Shareholders	Ordinary Shareholders
Ordinary	Ordinary Shareholder	A Ordinary Shareholders and Preference Shares

24.4.4 It shall be a further term of the offer that, if there are applications from any class of Relevant Shareholder for more than the total number of Sale Shares available to that class of Relevant Shareholder such Sale Shares shall be treated as being offered among such class of Relevant Shareholder in proportion (as nearly as may be) to their existing holdings of Shares of the class to which the offer is treated as having been made (the **Proportionate Allocation**) (subject to the maximum number of Sale Shares applied for by each Relevant Shareholder) However, in his application for Sale Shares a Relevant Shareholder may, if he so desires, indicate that he would be willing to purchase a particular number of Sale Shares in excess of his Proportionate Allocation (**Extra Shares**).

24.4.5 In respect of each class of Relevant Shareholder to whom the Sale Shares are offered, the Company shall allocate the Sale Shares as follows:

- (a) if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares, each such Relevant Shareholder shall be allocated the number applied for in accordance with his application, or
- (b) if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each such Relevant Shareholder shall be allocated his Proportionate Allocation or such lesser number of Sale Shares for which he has applied and if there are then any unallocated Sale Shares, such Sale Shares shall be allocated to each Relevant Shareholder who has applied for Extra Shares (subject to the maximum number of Extra Shares applied for) provided that if there are insufficient unallocated Sale Shares to meet such applications, among those Relevant Shareholders applying for Extra Shares in such proportions as equal (as nearly as may be) the relative proportions of all the Shares of the relevant class held by such Relevant Shareholder.

24.4.6 Allocations of Sale Shares made by the Company in accordance with this article 24 shall constitute the acceptance by the Relevant Shareholders to whom they are allocated of the offer to purchase such Sale Shares on the terms offered to them

24.4.7 If all the Sale Shares are not sold under the pre-emption provisions contained in this article 24, the Company shall (forthwith upon the exhaustion of such

provisions) so notify the Seller and the Seller shall not, without the prior sanction of the Board (with Investor Consent), be entitled to sell any of the Sale Shares for which no buyer has been found (unless required or entitled to sell in accordance with article 23).

25 TRANSFER ARRANGEMENTS

25.1 Sale Price

25.1.1 Save as otherwise provided in these Articles, the price per Share (or price per Share of each different class held) applicable on a transfer of Shares (the **Sale Price**) shall be.

- (a) in the case of Bad Leaver's Shares, the lower of the Issue Price and the Fair Price; and
- (b) in any other case the Fair Price

25.1.2 The Fair Price shall be such price that is, within the period of 10 Business Days after the Trigger Date, agreed by the Board (with Investor Consent) and the Leaver to be the Fair Price or, failing such agreement, such price as is determined by an Independent Expert pursuant to article 25.1.3

25.1.3 If the Fair Price falls to be determined by an Independent Expert:

- (a) the Company shall within 20 Business Days after the Trigger Date instruct the Independent Expert to determine the Fair Price on the basis which, in their opinion, represents a fair price for the Leaver's Shares at the Leaving Date as between a willing seller and a willing buyer and, in making such determination, the Independent Expert shall not take account of whether the Leaver's Shares comprise a majority or minority interest in the Company or the fact that their transferability is restricted by these Articles or otherwise.
- (b) the Independent Expert shall certify the Fair Price as soon as possible after being instructed by the Company and, in so certifying, the Independent Expert shall be deemed to be acting as an expert and not as an arbitrator and the Arbitration Act 1996 shall not apply;
- (c) the certificate of the Independent Expert shall, in the absence of clear or

manifest error, be final and binding for the purposes of these Articles;
and

(d) the Company shall procure that any certificate required hereunder is obtained with due expedition and the cost of determining the Fair Price and obtaining such certificate shall be borne by the Company unless:

- (i) such an arrangement would not be permitted by the Act, or
- (ii) the Fair Price as determined by the Independent Expert is not more than 110% of that price (if any) which the Board (with Investor Consent) had previously notified to the Leaver as being in its opinion the Fair Price,

in which event the cost shall be borne by the Leaver

25.2 Completion Notice

25.2.1 Where a Transfer Notice has been served or deemed to have been served then within five Business Days of either the allocation of all the Sale Shares pursuant to article 24 or (where not all Sale Shares are so allocated) the Expiry Date, the Company shall give written notice to each Offeree and the Selling Shareholder setting out the number of Sale Shares (of each class) allocated to the Offeree, the aggregate price payable therefore, the Sale Price and the name and address of the Offeree (each a **Completion Notice**)

25.2.2 Completion of the sale and purchase of the Sale Shares shall take place within five Business Days of the date of service of the Completion Notice whereupon the Seller shall, subject (save where the Offeree is the Company) to payment by each Offeree to the Company on behalf of the Seller of the price due in respect thereof, transfer the Sale Shares to the Offeree as specified in the Completion Notice and deliver the relevant share certificate(s) to the Company. Provided it has received the relevant share certificate(s) and duly executed stock transfer form(s), the Company shall release and pay to the Seller the purchase monies for the Sale Shares

25.2.3 If the Seller defaults in transferring any Sale Shares pursuant to article 25.2.2 to any Offeree or Offerees, the Company may hold the relevant purchase money received from the Offeree(s) and may nominate some person to execute a stock transfer form or forms in respect of such Sale Shares in the

name of and on behalf of the Seller. On receipt of the relevant Seller's share certificate (or an indemnity in a form reasonably satisfactory to the Company) the Company shall release and pay to the Seller the purchase monies for such Sale Shares. As security for its obligations under this article 25.2.3 and the other Articles, each holder of Shares hereby irrevocably appoints the Company as its agent to execute and deliver any document and to take any action in its own name and on its own behalf which it is required to execute or take under these Articles together with any other documents or actions necessary or desirable in connection with such obligations.

25 2 4 Following stamping of any stock transfer form(s) executed by the Seller or on its behalf in accordance with articles 25 2 2 or 25 2 3, the directors shall register the transfer(s). The Company's receipt for any purchase monies received under article 25 2 2 shall be a good discharge to the Offeree(s) and the Company shall hold any such purchase monies on trust for the Seller and the Company shall not pay any interest to the Seller or Offeree nor be under any obligation to pay any such interest (which shall be for the benefit of the Company) After the name of an Offeree has been so entered in the register of members, the transfer shall be validly registered

26 COME ALONG AND DRAG ALONG RIGHTS

26.1 Come Along

26.1 1 If at any time one or more Shareholders with prior Investor Consent (the **Proposed Sellers**) propose to sell in one or a series of related transactions, a majority of the Shares (by reference to voting rights rather than nominal value) (the **Majority Holding**) other than pursuant to article 23, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this article 26.1.

26 1 2 The Proposed Sellers shall procure the making, by the proposed transferee of the Proposed Seller's Shares (the **Proposed Transferee**), of a Come Along Offer to all of the other holders of Shares. Every holder or recipient of such offer, on receipt of a Come Along Offer, shall be bound within 10 Business Days of the date of such offer (which date shall be specified therein) either to accept or reject such offer in writing (and in default of so doing shall be deemed to have rejected the offer). Until such Come Along Offer has been made and completed the Board shall not sanction the making and registration

of the relevant transfer or transfers.

26.1.3 The provisions of article 26.1.2 shall not apply to any transfer of shares pursuant to article 23.

26.1.4 **Come Along Offer** means an unconditional offer, open for acceptance for not less than 10 Business Days, to purchase Shares held by the recipients of a Come Along Offer or Shares which recipients may subscribe free from Encumbrances at a price per share equal to the highest price per share (exclusive of stamp duty, stamp duty reserve tax and commission) paid or to be paid (in cash or otherwise) by any Proposed Transferee to one or more of the Proposed Sellers for Shares as part of the transaction or series of transactions.

26.2 **Drag Along**

26.2.1 In these Articles a **Qualifying Offer** shall mean a bone fide offer in writing by or on behalf of any person (the **Offeror**) for the entire equity share capital in the Company not already owned by the Offeror or persons connected with the Offeror

26.2.2 If a majority of the A Ordinary Shareholders (the **Accepting Shareholders** as the case may be) have indicated in writing to the Company they wish to accept the Qualifying Offer (and they are, in fact, able to accept such Qualifying Offer), then the provisions of this article 26.2 shall apply

26.2.3 The Accepting Shareholders shall give written notice (the **Drag Notice**) to the remaining holders of the equity share capital (the **Other Shareholders**) of their wish to accept the Qualifying Offer and shall, subject to article 26.2.4, thereupon become entitled to transfer their Shares to the Offeror (or his nominee) on the terms of the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders.

26.2.4 The Drag Notice shall be deemed to constitute an offer to the Other Shareholders to acquire all of the Accepting Shareholders' Shares at a price per Share equal to the price per share (exclusive of stamp duty, stamp duty reserve tax and commission) (whether in cash or otherwise) to be paid under

the terms of the Qualifying Offer (the **First Refusal Offer**) In the event that the Other Shareholders do not accept the First Refusal Offer within five Business Days of receipt of such notice, or if following acceptance of the First Refusal Offer within the prescribed period, they do not complete the purchase of and make payment in cleared funds for all of the Shares of the Accepting Shareholders within 15 Business Days, then the Accepting Shareholders shall become entitled to transfer their Shares to the Offeror (or his nominee) on the terms of the Qualifying Offer and the Other Shareholders shall thereupon become bound to accept the Qualifying Offer and to transfer their Shares to the Offeror (or his nominee) with full title guarantee on the date specified by the Accepting Shareholders.

26 2 5 If the Shareholders proceed with the Qualifying Offer and if any Other Shareholder shall not, within five Business Days of being required to do so, execute and deliver such documents and take such other action necessary or desirable in connection with the transfer (including executing and delivering stock transfer form(s) in respect of the Shares held by him and delivering the certificate(s) in respect of the same (or a suitable indemnity in lieu thereof)), then any Accepting Shareholder shall be entitled (as such other Shareholder's agent) to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute any such documents and take any such other action on such Other Shareholder's behalf and, against receipt by the Company (on trust for such Shareholder) of the consideration payable for the relevant Shares, deliver such stock transfer form(s) and certificate(s) or indemnities to the Offeror (or his nominee) and the directors shall register such Offeror (or his nominee) (or any such other documents) as the holder thereof and, after such registration, any such transfer shall be validly registered. The Company shall not pay nor be under any obligation to pay any interest to any Other Shareholder (or Offeror) on any such consideration held on trust by the Company for any Other Shareholder (and any such interest shall be for the benefit of the Company). The Company shall pay to the Other Shareholder any such consideration held by the Company following receipt of the relevant share certificates.

27 CONVENING GENERAL MEETINGS

The directors may call general meetings and, on the requisition of shareholders pursuant to the provisions of the Act, shall forthwith proceed to convene a general meeting in accordance with

the Act. If there are not within the United Kingdom sufficient directors to call a general meeting, any director or the shareholders requisitioning the meeting (or any of them representing more than half of the total voting rights of them all) may call a general meeting. If the Company has only a single shareholder, such shareholder shall be entitled to call a general meeting.

28 QUORUM FOR GENERAL MEETINGS

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, shall be a quorum.

29 VOTES OF SHAREHOLDERS

29.1 Subject always to the provisions of article 5.5, a resolution of the Shareholders put to the vote of a meeting shall be decided on a poll. Article 42 of the Model Articles shall not apply to the Company.

29.2 In the case of joint holders of Shares only the vote of the senior holder who votes (and any proxies appointed by him) may be counted by the Company and seniority shall be determined by the order in which the names of the joint holders appear in the register of members. A Shareholder in respect of whom an order has been made by any court having jurisdiction (whether in the United Kingdom or elsewhere) in matters concerning mental disorder may vote, whether on a show of hands or on a poll, by his receiver, curator bonis or other person authorised in that behalf appointed by that court, and any such receiver, curator bonis or other person may, on a poll, vote by proxy.

29.3 No Shareholder shall vote at any general meeting or at any separate meeting of the holders of any class of shares in the Company, either in person or by proxy, in respect of any Share held by him unless all moneys presently payable by him in respect of that share have been paid.

30 WRITTEN RESOLUTIONS

A proposed written resolution will lapse if not passed before the period of 14 days beginning with the circulation date. A written resolution shall be deemed to have been executed on behalf of a corporation if signed by one of its directors or its secretary. In the case of a share held by joint holders the signature of any one of them shall be sufficient.

31 PROXIES

31.1 Article 45.1(d) of the Model Articles shall be deleted and replaced with the words "is

delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of the general meeting (or adjourned meeting) to which they relate".

- 31.2 Article 45.1 of the Model Articles shall be amended by the insertion of the words "*and a proxy notice which is not delivered in such manner shall be invalid, unless the directors, in their discretion, accept the notice at any time before the meeting*" as a new paragraph at the end of that Article

32 CORPORATE REPRESENTATIVES

Subject to the Act, a company which is a shareholder may, by resolution of its directors or other governing body, authorise one or more persons to act as its representative or representatives at a meeting of the company or at a separate meeting of the holders of a class of shares of the Company (**corporate representative**). A director, the secretary or any other person authorised for the purpose by the directors may require a corporate representative to produce a certified copy of the resolution of authorisation before permitting him to exercise his powers

33 NOTICES

- 33.1 Where a notice is sent by first class post, proof of the notice having been posted in a properly addressed, prepaid envelope shall be conclusive evidence that the notice was given and shall be deemed to have been given at 10 00 am on the second business day after it was posted. Where a notice is sent by facsimile transmission proof of the notice having been sent to the correct facsimile number shall be conclusive evidence that the notice was given and shall be deemed to have been given one hour after the time of the transmission report if despatched before 4 00pm on any business day and in any other case at 10am on the business day following the despatch. A notice sent by electronic means shall, if properly addressed, be deemed to have been given one hour after the notice was sent and a notice sent by means of a website shall be deemed to have been sent when the notice is first made available or (if later) when the recipient receives (or is deemed to have received) notice that the notice is available on the website.

- 33.2 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all shareholders entitled to receive such notice at noon on the day when

the advertisement appears. In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable.

- 33.3 In the case of joint holders of a share, service or delivery of any notice, document or other information on or to one of the joint holders shall for all purposes be deemed a sufficient service on or delivery to all the joint holders. The Company may accept instructions from one joint holder only without reference to the other joint holder

34 DOCUMENTS SENT IN ELECTRONIC FORM OR BY MEANS OF A WEBSITE

- 34.1 Where the Act permits the Company to send documents or notices to its shareholders in electronic form or by means of a website, such documents and notices will be validly sent provided the Company complies with the requirements of the Act.
- 34.2 Subject to any requirements of the Act documents and notices may be sent 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.

35 INSURANCE

Without prejudice to the provisions of any other article, the board shall have the power to purchase and maintain insurance for or for the benefit of any persons who are or were at any time:

- 35.1 directors, officers, employees or auditors of the Company, or of any other company which is the holding company or of any body (whether or not incorporated) in which the Company or such holding company or any of the predecessors of the Company has any interest whether direct or indirect or which is in any way allied to or associated with the Company, or to any subsidiary undertaking of the Company or of any such other body, or
- 35.2 trustees of any pension fund or employees' share scheme in which employees of the Company or of any other such company or subsidiary undertaking are interested,

including, without limitation, insurance against any liability incurred by any such persons in respect of any act or omission in the actual or purported execution and/or discharge of their duties and/or the exercise or purported exercise of their powers and/or otherwise in relation to or in connection with their duties, powers or offices in relation to the Company or any other such

company, subsidiary undertaking or such pension fund or employees' share scheme (and all costs, charges, losses, expenses and liabilities incurred by him in relation to such matters)

36 INDEMNITY

36.1 Subject to the provisions of, and so far as may be permitted by and consistent with, the Act, every director and every director of each of the associated companies of the Company shall be indemnified by the Company out of its own funds against:

36.1 1 any liability incurred by or attaching to him in connection with any negligence, default, breach of duty or breach of trust by such director of the Company or such director of an associated company in relation to the Company or any associated company of the Company (as the case may be)

(a) any liability to the Company or any associated company; and

(b) any liability of the kind referred to in section 234(3) of the Act, and

36 1 2 any other liability incurred by or attaching to him in the actual or purported execution and/or discharge of his duties and/or the exercise or purported exercise of his powers and/or otherwise in relation to or in connection with his duties, powers or office.

36 2 Subject to the Act, the Company may indemnify a director, any officer of the Company (other than the auditors) and any director of any associated company of the Company if it is the trustee of an occupational pension scheme (within the meaning of section 235(6) of the Act).

36 3 Where a director, officer of the Company (other than the auditors) or any director of an associated company of the Company is indemnified against any liability in accordance with this article 36, such indemnity shall extend to all related costs, charges, losses, expenses and liabilities incurred by such director

36 4 Articles 52 and 53 of the Model Articles shall not apply to the Company

37 DEFENCE EXPENDITURE

37.1 Subject to the provisions of and so far as may be permitted by the Act, the Company.

37 1 1 may provide a director, officer of the Company or any director of any associated company of the Company with funds to meet expenditure incurred

or to be incurred by him in defending any criminal or civil proceedings in connection with any negligence, default, breach of duty or breach of trust by him in relation to the Company or an associated company of the Company or in connection with any application for relief under the provisions mentioned in section 205(5) of the Act, and

37 1.2 may do anything to enable any such person to avoid incurring such expenditure

37.2 The terms set out in section 205(2) of the Act shall apply to any provision of funds or other things done under article 37.1

37 3 Subject to the provisions of and so far as may be permitted by the Act, the Company

37.3.1 may provide a director, officer of the Company or any director of any associated company of the Company with funds to meet expenditure incurred or to be incurred by him in defending himself in an investigation by a regulatory authority or against action proposed to be taken by a regulatory authority in connection with any alleged negligence, default, breach of duty or breach of trust by such Director or director in relation to the Company or any associated company of the Company, and

37 3 2 may do anything to enable any such director or director to avoid incurring such expenditure.