

Company number. 07607930

THURSDAY



**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**of**  
**BOSTON HEALTHCARE LIMITED**  
**Circulation date: 27/07/2011**

In accordance with the provisions of Chapter 2 of Part 13 Companies Act 2006, the following resolutions are proposed as ordinary or special resolutions of the Company (as indicated)

**Ordinary Resolution**

- 1 **THAT** the 1 issued ordinary share of £1 in the capital of the Company be and is hereby re-classified as a B ordinary share of £1 in the capital of the Company, such B ordinary share having the rights and being subject to the obligations set out in the articles of association of the Company to be adopted pursuant to resolution 2 below

**Special Resolution**

- 2 **THAT** the articles of association of the Company attached be and are hereby adopted as the new articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association of the Company

**Ordinary Resolution**

- 3 **THAT**, in substitution for all existing and unexercised authorities and powers, the directors of the Company be and they are hereby generally and unconditionally authorised for the purpose of section 551 Companies Act 2006 (the "Act") to exercise all or any of the powers of the Company to allot shares in the Company or to grant rights to subscribe for, or to convert any security into, shares in the Company (such shares and rights being together referred to in this resolution as "**Relevant Securities**") up to an aggregate nominal value of £2,549 to such persons at such times and generally on such terms and conditions as the directors may determine (subject always to the articles of association of the Company), provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on the day before the fifth anniversary of the date on which this resolution is passed save that the directors of the Company may, before the expiry of such period, make an offer or agreement which would or might require Relevant Securities to be allotted after the expiry of such period and the directors of the Company may allot Relevant Securities in pursuance of such offer or agreement as if the authority conferred by this resolution had not expired

**Special Resolution**

- 4 **THAT**, subject to and conditional upon the passing of the resolution numbered 3 above and in substitution for all existing and unexercised authorities and powers, the

directors of the Company be and they are hereby empowered pursuant to section 570 Companies Act 2006 (the "Act") to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred upon them by resolution 3 above as if section 561 of the Act and article 8.1 of the articles of association of the Company (to be adopted pursuant to resolution 2 above) did not apply to any such allotment provided that this authority and power shall expire on the day before the fifth anniversary of the date of the passing of this resolution, save that the Company may, before the expiry of such period, make an offer or agreement which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired

The undersigned, being the sole person eligible to vote on the above resolutions on the circulation date hereby irrevocably agrees to the resolutions

A handwritten signature in black ink, consisting of a series of loops and a long horizontal stroke extending to the right.

Steve Stocks

Date 22/07/2011

**NOTE**

The resolutions set out above will lapse if the required majority of eligible members have not signified their agreement to them by the end of the period of 28 days beginning with the circulation date set out above. If you agree to the resolutions please ensure that your agreement reaches us before that date.

Company No 07607930



THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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NEW ARTICLES OF ASSOCIATION

of

BOSTON HEALTHCARE LIMITED

Incorporated 8 April 2011

(Adopted by written resolution passed on 22/07 / 2011)



Pinsent Masons

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Company No 07607930

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

NEW ARTICLES OF ASSOCIATION

of

BOSTON HEALTHCARE LIMITED

(the "Company")

Incorporated 18 April 2011

(Adopted by written resolution passed on 22/07 / 2011)

1 PRELIMINARY

1.1 In these Articles -

"Acquired Price"

means, in relation to a Share, (i) where the Share was issued to the current holder, the Issue Price or (ii) where the Share was transferred to the current holder for value, the price paid by the current holder

"Act"

means the Companies Act 2006

"Adoption Date"

means 22 July 2011

"A Ordinary Share"

means an A ordinary share of £1 00 in the capital of the Company

"Associated Company"

means a company which is a subsidiary or holding company of the other company or is a subsidiary of the same body corporate as the other company

"Asset Sale" \* 1

"Auditors"

means the auditors of the Company from time to time

"Bad Leaver"

means a person who is not a Good Leaver

"Board"

means the board of directors of the Company (or any duly authorised committee thereof) from time to time

"B Ordinary Share"

means a B ordinary share of £1 00 in the capital of the Company

"Business Day"

means a day (other than a Saturday) on which clearing banks in the City of London are normally open for usual sterling banking

\* the disposal by any one or more Group Companies of assets (whether together with associated liabilities or otherwise and as part of an undertaking or otherwise) which represent 50% or more (by book value) of the consolidated gross tangible assets of the Group at that time  
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business

**"Business Sale"**

means a sale, disposal or transfer by the Company or other member of the Group of all, or substantially all of the Group's business, assets and undertaking

**"BVCA"**

means the British Venture Capital Association

**"Chairman of the Board"**

means a person appointed as such under Article 18 1

**"Co-Investment Scheme"**

means any scheme under which certain officers, employees or parties (including their immediate relatives, family trusts and any scheme, agreement or arrangement for the provision to others of Relevant Benefits) of an Investor or its adviser or manager are entitled (as individuals or through a body corporate or any other vehicle) to acquire Shares

**"Companies Acts"**

means the Companies Acts (as defined in section 2 of the Act), in so far as they apply to the Company

**"Conflict Situation"**

means any matter which (unless authorised in accordance with these Articles) might result in a director infringing his duties under section 175 of the Act to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or may possibly conflict, with the interests of the Company and which may reasonably be regarded as likely to give rise to a conflict of interest

**"Connected Person"**

has the meaning attributed by sections 1122 and 1123 CTA 2010

**"Control"**

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

**"CTA 2010"**

means the Corporation Tax Act 2010

**"Defined Group"**

means any Investor 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

★

**"Employee"**

means a person (other than an Investor Director) 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)

Gateley  
\* "Dispose" means, in relation to any share or any legal or beneficial interest in any share, to - (a) sell, assign, transfer or otherwise dispose of it, (b) create or permit to subsist any 2<sup>nd</sup> encumbrance over it; (c) assign any right to it or direct (by way of renunciation or otherwise) that another person should receive it; (d) enter into any agreement in respect of the votes or other rights attached to the share, or (e) agree, whether or not

subject to any condition precedent or subsequent, to do any of the foregoing,  
and "Disposed" and "Disposal" shall be construed accordingly.

"Employee Trust"  
✱

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

"Equity Shares"

means the A Ordinary Shares and the B Ordinary Shares

"Equity Shareholders"

means the holders of Equity Shares

"Excess Shares"

has the meaning given in Article 8 1 3

"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 12 1 2 and 12 1 3

"financial year" and  
"financial period"

an accounting reference period (as defined by the Act) of the Company

"Good Leaver"

means -

(a) a person who ceases to be an Employee where such cessation occurs for one of the following reasons -

- (i) that person's death,
- (ii) illness or disablements of that person which, in the sole opinion of (and confirmed in writing by) the Company's physician or the Investor Director, gives rise to permanent incapacity to continue in employment,
- (iii) that person's retirement at the Company's normal retirement age,
- (iv) the termination of that person's employment in circumstances that are determined by an employment tribunal or court to be or amount to wrongful dismissal or unfair dismissal (other than where such dismissal is found to be unfair solely as a result of procedural or administrative irregularity), or
- (v) the sale or disposal of the Group Company (or the business of the Group Company) by which he is engaged or employed (other than, in respect of that person, where such sale or disposal arises as a result of their Material Default)

(b) a person who ceases to be an Employee where the Board with Investor Consent resolves that such person is to be treated as a Good Leaver

"Group"

means the Company and its subsidiary undertakings from time to time and "member of the Group" and "Group Company" shall be construed accordingly

"Independent Expert"

means -

(a) the Auditors, or

(b) if the Auditors are unwilling or unable to act, another umpire -

*"Exit" means a Sale or a Listing or an Asset Sale*

*Gate 1*  
✱ "Encumbrance" means a mortgage, charge, debenture, pledge, lien, option, restriction, right of first refusal, <sup>3</sup> right of pre-emption, third party right or interest, other encumbrance or security interest of any kind, or another type of agreement or arrangement having similar effect



- (i) nominated by the parties concerned within 15 Business Days of the Trigger Date, or
- (ii) in the event that no such an umpire is nominated in such period, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales,

and the Auditors or such other umpire shall act as an expert and not as an arbitrator

**"Insolvency Event"**

means the occurrence of a resolution being passed or any order being made or an administration order being made or other proceedings taken with a view to the winding up or liquidation (whether voluntary or involuntary) of the Company or any Group Company (save for a winding up petition which is stayed or determined within 10 Business Days of commencement and, in any event, prior to the date on which it is advertised) or the cessation of all or a substantial part of the business of the Company or any Group Company (other than a winding up for the purpose of and followed by reconstruction on terms previously approved by the Investors) or a receiver or administrator or an administrative receiver being appointed of the undertaking or of all or part of the assets of the Company or any Group Company or a notice of intention to appoint an administrator given by the Company or the Directors or any Group Company or its directors or by a qualifying floating chargeholder (as defined in paragraph 14 of Schedule 31 of the Insolvency Act 1986)

**"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

**"Investment"**

means the total amounts from time to time invested by the Shareholders in the Company or any subsidiary including any equity subscription, including for the avoidance of doubt, the subscription monies and any other funds invested pursuant to the Investment Agreement or any funds subsequently invested

**"Investment Agreement"**

means the investment agreement dated on or around the date of adoption of these Articles between (1) the Company, (2) the Managers (as defined therein) and (3) the Investors and (4) Northstar Equity Investors Limited

**"Investor Consent"**

means the giving of a prior written consent by the Majority Holders or an Investor Director

**"Investor Direction"**

means the giving of a prior written direction by the Majority Holders or an Investor Director

**"Investor Director"**

means a director appointed pursuant to Article 17

**"Investor Fees"**

means any fees which are charged to the Company by the Investors from time to time

**"Investors"**

means the holders from time to time of the A Ordinary Shares or any nominee of any such person and "Investor" means any of them

**"Investor's Group"**

has the meaning given in the Investment Agreement

<b>"Issue Price"</b>	means, in relation to a Share, the price at which such Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such Share and any share premium thereon
<b>"Leaver"</b>	means - <ul style="list-style-type: none"> <li>(a) any person who ceases to be an Employee for whatever reason,</li> <li>(b) any Shareholder (not being an Investor, an Employee Trust or the Company) to whom shares have been transferred by any Employee (other than pursuant to Articles 10 3 or 13) where such transferor then ceases to be an Employee,</li> <li>(c) any person who becomes entitled to any Shares - <ul style="list-style-type: none"> <li>(i) on the death or bankruptcy of a Shareholder (if an individual), or</li> <li>(ii) on the exercise of an option after ceasing to be an Employee, or</li> </ul> </li> <li>(d) any Shareholder holding Shares as a nominee for any person who ceases to be an Employee,</li> </ul>
<b>"Leaver's Shares"</b>	all of the Shares held by a Leaver or their Privileged Relation, or to which they are entitled, on the Leaving Date and any Shares acquired by a Leaver or their Privileged Relation after the Leaving Date, whether under an employees' share scheme or otherwise
<b>"Leaving Date"</b>	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
<b>"Listing"</b>	means - <ul style="list-style-type: none"> <li>(a) both the admission of any of 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</li> <li>(b) the admission to trading of any of the Shares on the Alternative Investment Market of the LSE becoming effective, or</li> <li>(c) 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</li> </ul>
<b>"LSE"</b>	means the London Stock Exchange plc
<b>"Majority Holders"</b>	means the persons who together at the relevant time hold more than 50% in number of the A Ordinary Shares in issue at that time
<b>"Material Default"</b>	means -

	<ul style="list-style-type: none"> <li>(a) a material breach of the Investment Agreement or of these Articles having occurred which has a material and adverse financial effect on the value of the Investment and such breach (if capable of remedy) not having been remedied with 20 Business Days of receipt of a written notice from the Investors which requires such material breach to be remedied, or</li> <li>(b) the occurrence of an Insolvency Event</li> </ul>
<b>"Material Default Notice"</b>	means a notice in writing served by the Majority Holders on the Company following a Material Default notifying the Company that Articles 4 3 2 and 16 4 6 apply
<b>"Material Default Period"</b>	means a period commencing on the occurrence of a Material Default and ending on the Material Default being rectified
<b>"Model Articles"</b>	means the Model Articles for Private Companies Limited by Shares in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229)
<b>"Offeree"</b>	means a person to whom Sale Shares are allocated pursuant to Article 11
<b>"Offer Notice"</b>	has the meaning given in Article 11 3 1
<b>"Portfolio Company"</b>	<p>means -</p> <ul style="list-style-type: none"> <li>(a) the Company,</li> <li>(b) any Group Company,</li> <li>(c) any body corporate promoted by the Company, and</li> <li>(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</li> </ul>
<b>"Pre-Authorised Situations"</b>	<p>means the following Conflict Situations -</p> <ul style="list-style-type: none"> <li>(a) holding any office, employment or engagement with any Group Company,</li> <li>(b) 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</li> <li>(c) 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</li> </ul>
<b>"Pre-Authorised Investor Director Situations"</b>	<p>means the following Conflict Situations -</p> <ul style="list-style-type: none"> <li>(a) holding any office, employment or engagement with an Investor, a member of an Investor's Group, any Group Company or any Portfolio Company,</li> </ul>

- (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 the Group, 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, 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 and its share or loan capital, other interests, assets and liabilities, or
  - (iv) any exercise by the Majority Holders or the Investor Director(s) of any rights under these Articles

**"Preferred Ordinary Share"** means a preferred ordinary share of £0 0001 each in the capital of the Company

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

- (c) 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),

- (d) 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,
- (e) their surviving spouse or civil partner

**"Realisation"**

means the earliest to occur of -

- (f) the date and time on which a Sale is completed,
- (g) the date and time as which a Listing takes place

**"Realisation Date"**

means -

- (h) in respect of a Listing, the date on which dealings are permitted to commence, and
- (i) in respect of a Sale, the date of receipt from the purchaser or purchasers of the consideration first payable on completion of the sale or, if the Sale involves the payment of quantifiable and non-contingent deferred consideration, the date upon which the last payment of such deferred consideration becomes due and payable

**"Realisation Value"**

means the aggregate of (i) the amount payable in respect of the issued Preferred Ordinary Shares (including any accrued but unpaid dividends thereon) as determined in accordance with Article 4.2 below and (ii) the value of the issued Equity Shares and (to the extent to which they are sold in the Sale and not redeemed) the value of any other part of the Investment (which shall, where appropriate, include shares deriving therefrom since their date of issue, including shares deriving therefrom following any capital reorganisation effected prior to the Realisation). The value of the issued Equity Shares shall be calculated as follows and on the basis that the relevant Realisation has been effected in accordance with its terms in each case to be calculated net of outstanding Investor Fees as at the Realisation Date and all costs and fees incurred by the Shareholders or any Group Company in connection with the Realisation -

- (a) in the event of a Listing, the market value of the Shares subject to the Listing (less the amounts raised pursuant to a fresh issue of Shares in connection with such Listing) determined by reference to the price per share at which such Shares are to be offered for sale, placed or otherwise marketed on commencement of trading pursuant to the arrangements relating to the Listing, all as determined by the merchant bank or, if none, the broker appointed by the Board to advise in connection with the Listing,
- (b) in the event of a Sale -
  - (i) if the Equity Shares are to be sold by private treaty (as distinct from a public offer) and the consideration is a fixed cash sum payable in full on completion of the Sale, the total amount of such cash sum,
  - (ii) if a written offer has been made for a cash

consideration or, if the Sale is pursuant to any other public cash offer or public offer accompanied by a cash alternative, the total cash consideration plus a value equal to the value of the non-cash consideration, valued at the same value as the cash consideration or cash alternative price for all the shares of the Company for which the offer is made,

- (iii) if the Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative) -
  - (A) if the securities will rank *pari passu* with a class of securities already admitted to trading on a Recognised Investment Exchange (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement setting out the terms of such sale or, (in the case of a Sale following a public offer or failing any such attribution in the sale agreement) by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the period of 5 Business Days ending 3 days prior to the day before the day on which the Sale is completed, or
  - (B) if the securities are not of such a class, the value of the relevant consideration as agreed between the Majority Holders and the holders of a majority of the B Ordinary Shares or, in default of agreement, determined by the Auditors (acting as experts and not arbitrators and whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Auditors shall be addressed to (and obtained at the cost of) the Company,
- (iv) to the extent that the Sale includes an element of non-contingent and clearly quantified deferred consideration, its value shall be the present value of such deferred consideration discounted for delay as agreed between the Majority Holders and the holders of a majority of the B Ordinary Shares or, in default of agreement, as determined by the Auditors (acting as experts and not arbitrators and whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Auditors shall be addressed to (and obtained at the cost of) the Company, and
- (v) to the extent that the Sale includes an element of consideration which is contingent and/or unquantified, then no value shall be ascribed thereto in determining Realisation Value, and
- (vi) if and to the extent that (i) to (v) to above are not applicable, or cannot be applied properly (for whatever reason) the value of the relevant consideration as agreed between the Majority Holders

and the holders of a majority of the B Ordinary Shares or, in default of agreement, determined by the Auditors (acting as experts and not arbitrators and whose report shall (save in the case of manifest error) be final and binding on the Company and all its members) The report of the Auditors shall be addressed to (and obtained at the cost of) the Company

**"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

**"Relevant Loss"**

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

**"Relevant Officer"**

means any director or other officer or former director or other officer of the Company or an associated company (including any such company which is a trustee of an occupational pension scheme) (as defined by section 235(6) of the Act, but excluding in each case any person engaged by the Company (or associated company) as auditor (whether or not he is also a director or other officer), to the extent he acts in his capacity as auditor

**\*<sup>1</sup> "Relevant Shareholder"**

has the meaning given in Article 11 3 1

**"Sale Price"**

has the meaning given in Article 12 1

**"Sale Shares"**

has the meaning given in Article 11 1 (subject to Article 10 3 1 in the case of a Leaver)

**"Seller"**

has the meaning given in Article 11 1

**"Share"**

means any share in the capital of the Company from time to time (and "Shares" shall be construed accordingly)

**"Shareholder"**

means a holder of any Share

**"Subscription Monies"**

means the monies paid by each of the Investor and share stocks pursuant to the Investment Agreement

**"Transfer Notice"**

has the meaning given in Article 11 1 (subject to Article 10 3 1 in the case of a Leaver)

**"Trigger Date"**

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

**"voting rights"**

shall be construed in accordance with schedule 6 to the Act

*Gabery*  
**\*<sup>1</sup> "Sale"** means the Disposal (whether through a single transaction or a series of transactions) of 50 per cent or more of the Shares (as if one class) other than to a new holding company of the Company which is intended for the purposes of planning for an Exit, in which the share capital structure of the Company is replicated in all material respects

- 1 2 In these Articles, a reference to a "group undertaking" or a "subsidiary undertaking" is to be construed in accordance with sections 1161 and 1162 respectively of the Act and a reference to a "subsidiary" or "holding company" is to be construed in accordance with section 1159 of the Act
- 1 3 A reference in these Articles to a statute, statutory provision or sub-ordinate legislation (other than in Article 1 8 or the definition of "Model Articles") is a reference to it as it is in force from time to time, taking account of -
- 1 3 1 any subordinate legislation from time to time made under it, and
- 1 3 2 any amendment or re-amendment and includes any statute, statutory provision or sub-ordinate legislation which it amends or re-enacts
- 1 4 In these Articles, a reference to any other document is a reference to that other document as amended, varied, novated or supplemented (other than in breach of the provisions of the relevant other document) from time to time
- 1 5 The regulations contained in or incorporated in the Model Articles shall apply to the Company save insofar as they are excluded or varied hereby or are inconsistent herewith and such regulations (save as so excluded, varied or inconsistent) and the Articles hereinafter contained shall be the regulations of the Company
- 1 6 An Investor Consent or Investor Direction required or permitted to be given under these Articles may be given by any Investor Director who holds office as a director of the Company at the time that the consent or direction (as the case may be) is given Any written consent or approval given by an Investor Director or the Majority Holders after a matter or event in respect of which Investor Consent is required shall, unless such consent or approval expressly states otherwise, be deemed to be an Investor Consent for the purpose of these Articles
- 1 7 Regulations 2, 8, 9(2) to 9(4) (inclusive), 10, 14, 17, 18, 21, 26(1), 26(5), 30(5) to 30(7) (inclusive), 38, 48(1), 48(2), 52 and 53 of the Model Articles shall not apply to the Company
- 1 8 Unless the context otherwise requires (for example, where otherwise defined herein), words or expressions defined in or having a meaning provided by the Act (as in force at the date these Articles became binding on the Company) shall have the same meaning when used in these Articles
- 1 9 Where an ordinary resolution is expressed to be required for any purpose, a special resolution is also effective for that purpose
- 1 10 The headings in these Articles are for convenience only and shall not affect their meaning
- 1 11 A reference in these Articles to an Article is a reference to the relevant Article of these Articles unless expressly provided otherwise
- 1 12 In construing these Articles, general words introduced by the word "other" shall not be given a restrictive meaning by reason of the fact that they are preceded by words indicating a particular class of acts, matters or things and general words shall not be given a restrictive meaning by reason of the fact that they are followed by particular examples intended to be embraced by the general words

## 2 **LIMITATION OF LIABILITY**

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

## 3 **SHARE CAPITAL**

- 3 1 The share capital of the Company is divided into A Ordinary Shares, B Ordinary Shares and Preferred Ordinary Shares
- 3 2 Regulation 36 of the Model Articles shall be modified as follows -



3 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

3 2 2 by inserting the words "(credited up as fully paid)" after the word "debentures" in regulation 36(5)(c)

3 3 Whenever as a result of a 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 SHARE RIGHTS

Except as expressly provided otherwise in these Articles, the A Ordinary Shares and the B Ordinary Shares shall rank pari passu in all respects

4 1 The income rights attaching to each class of Shares shall be as set out in this Article -

4 1 1 there shall accrue in respect of the Preferred Ordinary Shares a fixed cumulative dividend calculated at the rate of 6.5% of the Issue Price of the Preferred Ordinary Shares plus any unpaid amount of such dividend (the "**Fixed Dividend**"), such Fixed Dividend shall accrue on a daily basis (but, for the avoidance of doubt, be compounded on an annual basis) and shall be payable on the recommendation of the Board and in the absence, of such recommendation be rolled up and payable in accordance with the provisions of Article 4.2 below,

4 1 2 thereafter subject to (i) the Board recommending payment of the same, and (ii) Investor Consent, any profits of the Company available for distribution which the Company may determine to distribute in respect of any financial year shall be distributed amongst holders of the A Ordinary Shares and B Ordinary Shares according to the number of Shares held (pari passu as if the same constituted one class of Share) **provided that** no such dividends shall be capable of being declared whilst there remain any Fixed Dividends which are accrued but unpaid, and

4 1 2 the Company shall procure (so far as it is able) that each of its subsidiaries and each of its subsidiary undertakings 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

#### 4 2 Return of Capital and Rights on a Sale or Listing

4 2 1 On a return of assets on a liquidation or capital reduction or otherwise, or in the event of a Sale or Listing, the provisions of this Article 4.2 shall apply to determine the allocation of the proceeds of such liquidation, capital reduction or Sale or Listing to the Shareholders as follows -

(a) all Investor Fees and all costs and fees incurred in connection with the Realisation or outstanding as at the Realisation Date will first be paid in full, and

(b) thereafter, the proceeds shall be allocated and distributed as follows -

(i) firstly, in paying to the holders of the Preferred Ordinary Shares an amount equal to the Issue Price of each Preferred Ordinary Share held by them together any arrears and accruals of unpaid Fixed Dividend in respect of such Shares,

secondly the amount of proceeds falling within the Ratchet Tranche shall be distributed amongst the holders of the A Ordinary Shares and the B Ordinary Shares such that 10% of such proceeds shall be distributed amongst the holders of the A Ordinary Shares (in proportion to the number of shares of that class held by them) and 90% of such proceeds shall be distributed amongst the holders of the B Ordinary Shares (in proportion to the number of shares of that class held by them) where

**"Ratchet Tranche"** means the amount calculated in accordance with the following formula

$$\text{Opening Ratchet Tranche} \times \frac{\text{Exit value of Preferred Shares}}{\text{Entry value of Preferred Shares}}$$

**"Opening Ratchet Tranche"** means the sum of £3,214,286;

**"Exit value of Preferred Shares"** means the amount payable pursuant to Article 4.2.1(b)(i); and

**"Entry value of Preferred Shares"** means the sum of £1,500,000,

and

- (ii) thirdly, the remaining proceeds shall be allocated and distributed amongst the holders of all of the Equity Shares according to the proportions of Equity Shares held by each of them at that time bears to the aggregate number of Equity Shares in issue at that time, and *pari passu* as if the same constituted one class of Share,

4 2 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 of such agreement as an Independent Expert (the cost of such Independent Expert being borne by the Company) may specify, to ensure that the Realisation Value is reallocated between the Members in the same proportions as the preceding provisions of these Articles would provide on a Sale at that Realisation Value

4 2 3 If there is a Business Sale rather than a Sale or a Listing then if the proceeds of the Business Sale are distributed to the Shareholders by the Company then such distribution shall be subject to the provisions of Article 4 2 1 *mutatis mutandis*

4 2 4 A worked example in respect of the operation of Article 4 2 1 above is appended for these Articles for illustrative purposes

#### 4 3 Voting

4 3 1 Subject to any special rights or restrictions as to voting attached to any Shares by or in accordance with these Articles (including Articles 4 3 2, 4 3 3, 10 3 6 and 17 2), on a show of hands every Shareholder holding Equity Shares who -

- (a) (being an individual) is present in person or by proxy, or
- (b) (being a corporation) is present by a representative not being himself a Shareholder or by a proxy,

shall have one vote, and on a poll every Shareholder who is present in person or by proxy or (being a corporation) is present by a representative or by proxy shall (except as hereinafter provided) have one vote for every Equity Share of which he is the holder

4 3 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

4 3 3 For the avoidance of doubt, the provisions in Article 4 3 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 CLASS RIGHTS**

5 1 Whenever the capital of the Company is divided into different classes of shares the special rights attached to any class may be varied or abrogated with the consent in writing of the holders of 75% in nominal value of the issued shares of that class provided that this Article 5 1 shall not operate to prevent or affect the Company's right to issue further shares or loan notes in priority to the shares or loan notes in issue provided always that the rights of pre-emption in Article 11 and Clause 12 of the Investment Agreement in respect of the allotment of shares or loan notes (respectively) shall first have been observed in full

## **6 LIEN**

6 1 The Company shall have a first and paramount lien on every Share (whether fully paid or not) registered in the name of any person indebted or under liability to the Company or other Group Company whether he be the sole registered holder thereof or one of several joint holders and shall be for all monies (whether presenting payable or not) payable or otherwise owing by such a person to the Company or other Group Company The directors may at any time declare any Share to be wholly or in part exempt from the provisions of this Article

6 2 The Company may sell in such manner as the directors determine any Shares on which the Company has a lien if a sum in respect of which the lien exists is presently payable and is not paid within fourteen clear days after notice has been given to the holder of the Share or to the person entitled to it in consequence of the death or bankruptcy of the holder, demanding payment and stating that if the notice is not complied with the Shares may be sold

6 3 To give effect to a sale the directors may authorise some person to execute an instrument of transfer of the Shares sold to, or in accordance with the directions of, the purchaser The title of the transferee to the Shares shall not be affected by any irregularity or invalidity in the proceedings in reference to the sale

6 4 The net proceeds of the sale, after payment of the costs, shall be applied in payment of so much of the sum for which the lien exists as is presently payable, and any residue shall (upon surrender to the Company for cancellation of the certificate for the Shares sold and subject to a like lien for any moneys not presently payable as existed before the sale) be paid to the person entitled to the Shares at the date of the sale

## **7 CALLS ON SHARES AND FORFEITURE**

7 1 Subject to the terms of allotment, the directors may make calls upon the Shareholders in respect of any moneys unpaid on their Shares (whether in respect of nominal value or premium) and each Shareholder shall (subject to receiving at least fourteen clear days' notice specifying when and the method by which payment is to be made) pay to the Company as required by the notice the

amount called on his Shares. A call may be required to be paid by instalments. A call may, before receipt by the Company of any sum due thereunder, be revoked in whole or in part and payment of a call may be postponed in whole or in part. A person upon whom a call is made shall remain liable for calls made upon him notwithstanding the subsequent transfer of the Shares in respect of which of the call was made.

- 7.2 A call shall be deemed to have been made at the time when the resolution of the directors authorising the call was passed.
- 7.3 The joint holders of a Share shall be jointly and severally liable to pay all calls in respect thereof.
- 7.4 If a call remains unpaid after it has become due and payable the person from whom it is due and payable shall pay interest on the amount unpaid from the day it became due and payable until it is paid at the rate fixed by the terms of allotment of the Share or in the notice of the call or, if no rate is fixed, at the appropriate rate (as defined by the Act) but the directors may waive payment of the interest wholly or in part.
- 7.5 An amount payable in respect of a Share on allotment or at any fixed date, whether in respect of nominal value or premium or as an instalment of a call, shall be deemed to be a call, and if it is not paid when due all the provisions of the Articles shall apply as if that amount had become due and payable by virtue of a call.
- 7.6 Subject to the terms of allotment, the directors may make arrangements on the issue of Shares for a difference between the holders in the amounts and times of payment of calls on their Shares.
- 7.7 If a call remains unpaid after it has become due and payable the directors may give to the person from whom it is due not less than fourteen clear days' notice requiring payment of the amount unpaid, together with any interest which may have accrued and all expenses that may have been incurred by the Company by reason of such non-payment. The notice shall state the method by which payment is to be made and shall state that if the notice is not complied with the Shares in respect of which the call was made will be liable to be forfeited.
- 7.8 If the notice is not complied with any Share in respect of which it was given may, before the payment required by the notice has been made, be forfeited by a resolution of the directors and the forfeiture shall include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.
- 7.9 Subject to the provisions of the Act, a forfeited Share may be sold, re-allotted or otherwise disposed of on such terms and in such manner as the directors determine either to the person who was before the forfeiture the holder or to any other person and at any time before a sale, re-allotment or other disposition, the forfeiture may be cancelled on such terms as the directors think fit. Where for the purposes of its disposal a forfeited Share is to be transferred to any person the directors may authorise some person to execute an instrument of transfer of the Share to that person.
- 7.10 A person any of whose Shares have been forfeited shall cease to be a Shareholder in respect of them and shall surrender to the Company for cancellation the certificate for the Shares forfeited but shall remain liable to the Company for all moneys which at the date of forfeiture were presently payable by him to the Company in respect of those Shares with interest at the rate at which interest was payable on those moneys before the forfeiture or, if no interest was so payable, at the appropriate rate (as defined in the Act) from the date of forfeiture until payment but the directors may waive payment wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 7.11 A statutory declaration by a director or the secretary that a Share has been forfeited on a specified date shall be conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share and the declaration shall (subject to the execution of an instrument of transfer if necessary) constitute a good title to the Share and the person to whom the Share is disposed of shall not be bound to see to the application of the consideration, if any, nor shall his title to the Share be affected by any irregularity in or invalidity of the proceedings in reference to the forfeiture or disposal of the Share.

## 8 ISSUES OF SHARES

8 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 Equity Shares unless otherwise agreed by the holders of 75% of the Equity Shares including the Investors, provided that -

8 1 1 any allotment of the Company's equity securities shall comprise A Ordinary Shares and B Ordinary Shares, the respective numbers of A Ordinary Shares and B Ordinary Shares comprised in any such allotment to be calculated according to the proportions which each of the A Ordinary Shares and B Ordinary Shares in issue immediately prior to such allotment bears to the aggregate number of Equity Shares in issue immediately prior to such allotment. An issue of A Ordinary Shares under this Article may be to any member of the Defined Group and not just the entity or entities holding A Ordinary Shares at that time and for the purposes of this Article 8 any reference to "Equity Shareholders" shall include members of the Defined Group,

8 1 2 the period specified in section 562(5) of the Act shall be 20 Business Days except where there is a Material Default, in which case the time period shall be 5 Business Days,

8 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 8 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

8 1 4 subject to the other provisions of this Article 8, for the purposes of those sub-sections of the Act the A Ordinary Shares and B Ordinary Shares shall be treated as one class save that all B Ordinary Shares issued to any holder of A Ordinary Shares pursuant to this Article 8 shall be designated or re-designated A Ordinary Shares prior to registration and all Shares issued to any B Ordinary Shareholder pursuant to this Article 8 shall be designated or re-designated B Ordinary Shares prior to registration

8 2 The pre-emption provisions of section 561 and section 562 of the Act shall not apply to any allotment of B Ordinary Shares pursuant to a share option scheme established in accordance with clause 17 of the Investment Agreement

8 3 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

**9 PROVISIONS APPLYING ON EVERY TRANSFER OF SHARES**

- 9 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
- 9 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
- 9 3 The directors may refuse to register the transfer of a Share which is not fully paid to a person of whom they do not approve 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 -
- 9 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,
- 9 3 2 it is in respect of only one class of shares, and
- 9 3 3 it is in favour of not more than four transferees
- 9 4 The Board shall refuse to register any transfer of Shares made in contravention of the provisions of these Articles or the Investment Agreement but, subject to Article 9 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, 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 the Investment Agreement shall be of no effect
- 9 5 No Shares may be transferred unless -
- 9 5 1 save for transfers pursuant to Articles 10 (except where a provision in Article 10 expressly requires Investor Consent to be obtained) or 13, 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
- 9 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
- 9 6 A reference in these Articles to a transfer of Shares shall include -
- 9 6 1 a transfer of any interest in Shares (whether legal, beneficial or otherwise) including without limitation to any transmittee (and regulations 27 and 28 of the Model Articles shall be subject to this Article 9 and to Articles 10 to 13 inclusive), and
- 9 6 2 any charge, mortgage, option or other 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

## **10 TRANSFERS OF SHARES**

### **10 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)) -

- 10 1 1 any holder of A Ordinary 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 10) 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 10 following such change of Control,
- 10 1 2 any A Ordinary 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,
- 10 1 3 any A Ordinary 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 10, 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 10,
- 10 1 4 any A Ordinary 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,
- 10 1 5 any holder of A Ordinary 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,
- 10 1 6 any A Ordinary 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,
- 10 1 7 any A Ordinary 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
- 10 1 8 any A Ordinary Shares may be transferred to an Institutional Investor or member of the BVCA, following reasonable discussions with the other Shareholders

### **10 2 Other Permitted Transfers**

#### **10 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

#### **10 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

#### **10 2 3 Transfers with Shareholder Approval**

A transfer of any Shares made with the consent of the Investors and the holders of not less than 75% in nominal value of the Equity 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)

#### **10 2 4 Transfers pursuant to a Listing or Article 13**

A transfer of any Share made pursuant to and in accordance with a Listing or Article 13 (Tag Along and Drag Along) may be made without restriction as to price or otherwise (save as, where relevant, provided in Article 13)

#### **10 2 5 Transfers to Privileged Relations**

Any holder of Shares (a "Transferor") may at any time transfer up to 25% 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

### **10 3 Transfers in respect of Leavers**

10 3 1 Unless otherwise provided by Investor Direction, a Leaver shall be deemed to have served on the Company on the Trigger Date a Transfer Notice under Article 11 1 in respect of each class of Shares held by him and any shares transferred to Privileged Relations under Articles 10 2 5 on the Company giving notice that he and any Privileged Relation have, with immediate effect, offered for sale all Shares of the relevant class held by him (unless otherwise specified in an Investor Direction served before the Trigger Date)

10 3 2 Following such deemed service of a Transfer Notice pursuant to Article 10 3 1, Article 11 shall apply, save that each such Transfer Notice shall not specify any person to whom the Leaver wishes to transfer his Leaver Shares nor contain a Total Transfer Condition but shall first offer the Leaver Shares to any employee benefit trust established from time to time (an "Employee Trust") or to the Company or any individual replacing the Leaver ("Relevant Individual") as directed by the Investors

10 3 3 If the Employee Trust, Company or Relevant Individual (as appropriate) does not accept the offer referred to in Article 10 3 2 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 Leaver Shares (or those not taken up under Article 10 3 2) shall be offered to the Equity Shareholders

10 3 4 Any Transfer Notice issued under Article 10 3 1 shall specify only that the Sale Price shall be such price as is subsequently agreed or determined in accordance with Article 12 1 and, for the purposes of Article 11, the Leaver and their Privileged Relations shall otherwise be treated as Sellers, and all the Leaver Shares of the relevant class (or, if



otherwise specified by Investor Direction, such smaller number of Leaver Shares of the relevant class) shall otherwise be treated as the Sale Shares

10 3 5 Unless otherwise provided by Investor Direction, on any person becoming a Leaver, any consent or Transfer Notice relating to a transfer of Shares by such Shareholder given prior to that Shareholder becoming a Leaver shall immediately be revoked and no further Transfer Notice shall be given or deemed to be given in respect of such Leaver Shares except under Article 10 3 1

10 3 6 Unless otherwise provided by an Investor Direction, no Leaver 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 participate in any allotment of Shares pursuant to Article 8 (provided that any such restrictions on the rights of such Leaver Shares shall cease to apply upon the transfer of such Shares to a person who is not a Leaver)

## 11 PRE-EMPTION RIGHTS

### 11 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 10 or 13, a Shareholder who wishes to transfer any Shares (the "**Seller**") shall give written notice to the Company copied to the Investor Directors (a "**Transfer Notice**") Each Transfer Notice shall (subject to Article 10 3 in the case of a Leaver) -

11 1 1 relate to one class of Shares only,

11 1 2 specify the number and class of Shares which the Seller wishes to transfer pursuant to that Transfer Notice (the "**Sale Shares**"),

11 1 3 specify the identity of any person to whom the Seller wishes to transfer the Sale Shares, if any,

11 1 4 specify the Sale Price at which the Seller wishes to transfer the Sale Shares,

11 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

11 1 6 not be varied or cancelled without Investor Consent

### 11 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

### 11 3 Offer Notice

11 3 1 The Company shall on the Business Day which is 10 Business Days after the date of receipt of the Transfer Notice 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**")

11 3 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**")

11 3 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 11 3 4 and 11 3 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 column (2) below in that order of priority -

(1) Excess Shares	(2) Offered second to
A Ordinary	B Ordinary
B Ordinary	A Ordinary

11 3 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**")

11 3 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

11 3 6 Allocations of Sale Shares made by the Company in accordance with this Article 11 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

11 3 7 If all the Sale Shares are not sold under the pre-emption provisions contained in this Article 11, 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 13)

## **12 TRANSFER ARRANGEMENTS**

### **12 1 Sale Price**

12 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 a Good Leaver, the Fair Price,
- (b) in the case of a Bad Leaver, the lower of the Acquired Price and the Fair Price, and
- (c) in the case of any other transfer pursuant to Article 11 1, the price stated to be the Sale Price in such Transfer Notice

12 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 12 1 3

12 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

### **12 2 Completion Notice**

12 2 1 Where a Transfer Notice has been served or deemed to have been served then within 5 Business Days of either the allocation of all the Sale Shares pursuant to Article 11 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 therefor, the Sale Price and the name and address of the Offeree (each a "**Completion Notice**")

- 12 2 2 Completion of the sale and purchase of the Sale Shares shall take place within 5 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
- 12 2 3 If the Seller defaults in transferring any Sale Shares pursuant to Article 12 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 12 2 3 and the other Articles, each holder of Equity 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
- 12 2 4 Following stamping of any stock transfer form(s) executed by the Seller or on its behalf in accordance with Articles 12 2 2 or 12 2 3, the directors shall register the transfer(s). The Company's receipt for any purchase monies received under Articles 12 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

### 13 TAG ALONG AND DRAG ALONG RIGHTS

#### 13 1 Tag Along

- 13 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, the holders of 50% or more in nominal value of the Equity Shares (the "**Majority Holding**") other than pursuant to Article 10, the Proposed Sellers may only sell the Majority Holding if they comply with the provisions of this Article 13 1
- 13 1 2 The Proposed Sellers shall procure the making, by the proposed transferee of the Seller's Shares (the "**Proposed Transferee**"), of a Come Along Offer to all of the other holders of Equity 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
- 13 1 3 The provisions of Article 13 1 2 shall not apply to any transfer of shares pursuant to Article 10
- 13 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 all liens, charges and 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 by any Proposed Transferee to one

or more of the Proposed Sellers for Equity Shares as part of the transaction or series of transactions

**13 2 Drag Along**

13 2 1 In these Articles a "**Qualifying Offer**" shall mean an 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

13 2 2 If -

(a) at any time within 4 years of the Adoption Date, the holders of a majority of the Equity Shares (including Steve Stocks and the Investors), or

(b) at any time after the 4th anniversary of the Adoption Date of these Articles, the Investors

(each "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 13 2 shall apply

13 2 3 The Accepting Shareholders shall give written notice to the remaining holders of the equity share capital (the "**Other Shareholders**") of their wish to accept the Qualifying Offer and shall 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

13 2 4 If any Other Shareholder shall not, within 5 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

**14 COMPLIANCE**

14 1 For the purpose of ensuring compliance with the transfer provisions of these Articles, the Company shall immediately on an Investor Direction and may with Investor Consent require any Leaver or other Shareholder to procure that -

14 1 1 he, or

14 1 2 any proposed transferee of any Shares, or

14 1 3 such other person as is reasonably believed to have information and/or evidence relevant to such purpose

provides to the Company any information and/or evidence relevant to such purpose and until such information and/or evidence is provided the Company shall refuse to register any relevant transfer (otherwise than with Investor Consent)

- 14 2 Each holder of B Ordinary Shares from time to time hereby irrevocably appoints the Company as his agent (with the power to appoint any member of the Board as a substitute and to delegate to that substitute all or any powers hereby conferred, other than this power of substitution, as if he had been originally appointed by this authority) to give effect to the provisions of these Articles and the Investment Agreement

## 15 GENERAL MEETINGS

### 15 1 Calling Meetings

- 15 1 1 The directors may call general meetings and may be required to call a meeting by the Shareholders pursuant to the provisions of the Act
- 15 1 2 General meetings shall be called by at least fourteen clear days' notice but a general meeting may be called by shorter notice if it is so agreed by a majority in number of the Shareholders having a right to attend and vote being a majority together holding not less than ninety per cent in nominal value of the Shares giving that right
- 15 1 3 The notice shall specify the time and date and place of the meeting and the general nature of the business to be transacted and shall include a statement of rights in accordance with section 325 of the Act
- 15 1 4 Subject to the provisions of the Articles and to any restrictions imposed on any Shares, the notice shall be given to all the Shareholders, to directors and the auditors and (provided the Company has been notified of their entitlement) to all persons entitled to a Share in consequence of the death or bankruptcy of a Shareholder
- 15 1 5 The accidental omission to give notice of a meeting to, or the non-receipt of notice of a meeting by, any person entitled to receive notice shall not invalidate the proceedings at that meeting

### 15 2 Quorum

No business other than the appointment of a chairman of the meeting is to be transacted unless a quorum is present. The quorum shall be two persons entitled to vote upon the business of the meeting (who may be present in person, by proxy or by a duly authorised representative), provided always that -

- 15 2 1 no quorum shall be present unless the Majority Holders are present at the meeting (whether in person, by proxy or by a duly authorised representative), and
- 15 2 2 where the Company has a single Shareholder, the quorum shall be one person entitled to vote at the meeting (being a Shareholder, a proxy or duly authorised representative)

### 15 3 Poll Votes

The following sub-paragraph (e) shall be added to the end of regulation 44(2) of the Model Articles -

"(e) a person or persons representing Shares conferring a right to vote on the resolution, being Shares on which an aggregate sum has been paid up equal to not less than one tenth of the total sum paid up on all the Shares conferring that right "

### 15 4 Proxies

- 15 4 1 A proxy notice (and any evidence of the authority of the person executing it on the appointors behalf) may -

- (a) in the case of a proxy notice (and any evidence) in hard copy form, be deposited at the registered office or the address specified in the notice of meeting or in any instrument of proxy relating to the meeting sent out by the Company, at any time before the holding of the meeting (or adjourned meeting), or
- (b) in the case of a proxy notice (and any evidence) sent by electronic means, be received at any address provided for the purpose of receiving communications sent by electronic means and specified in the notice of meeting, in any instrument of proxy relating to the meeting sent out by the Company or in any communication by electronic means sent out by the Company inviting the appointor to appoint a proxy relating to the meeting, at any time before the holding of the meeting (or adjourned meeting) -

15 4 2 Termination of the authority of a person to act as proxy must be notified to the Company in writing

## 15 5 **Votes of Shareholders**

- 15 5 1 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
- 15 5 2 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

## 15 6 **Chairing General Meetings**

Regulation 39 of the Model Articles shall be modified by the substitution of the words "Chairman of the Board" in place of the word "chairman" each time it appears in regulation 39(1) and the first line of regulation 39(2)

## 16 **DIRECTORS**

### 16 1 **Number of Directors**

The number of directors (including the Investor Directors but excluding alternate directors) shall not be less than two in number

### 16 2 **Appointment and removal of Directors**

- 16 2 1 The directors may with Investor Consent appoint a person who is willing to act to be a director, either to fill a vacancy or as an additional director
- 16 2 2 No director shall be required to vacate his office as a Director, nor shall any person be ineligible for appointment as a Director, by reason of his having attained any particular age
- 16 2 3 The office of a director shall be vacated if -
- (a) he ceases to be a director by virtue of any provision of the Act or these Articles (including Article 16 2 4) or he becomes prohibited by law from being a director of a company, or

- (b) he becomes bankrupt or makes any arrangement or composition with his creditors generally, or
- (c) he is, or may be, suffering from mental disorder and either -
  - (i) he is admitted to hospital in pursuance of an application for admission for treatment under the Mental Health Act 1983, or, in Scotland, an application for admission under the Mental Health (Scotland) Act 1960, or
  - (ii) by reasons of his mental health, a court makes an order which wholly or partly prevents that director from personally exercising any powers or rights he would otherwise have, or
- (d) he resigns his office by notice in writing to the Company, or
- (e) he is convicted of a criminal offence (other than a motoring offence or series of motoring offences not resulting in disqualification) and the directors resolve that he be removed from office, or
- (f) in the case of a person who is also an employee of the Company or another Group Company, he ceases to be such an employee without so remaining an employee of any other member of the Group, or
- (g) he shall for more than six consecutive months have been absent without permission of the directors from meetings of directors held during that period and the directors resolve that he be removed from office, or
- (h) (save in the case of an Investor Director) all the other directors unanimously resolve that he be removed from office

16 2 4 In addition and without prejudice to the provisions of section 168 of the Act, the Company may by ordinary resolution (whether at a general meeting or in writing and without special notice) remove any director (other than an Investor Director) before the expiration of his period of office and may by ordinary resolution (whether at a general meeting or in writing and without any special notice) appoint another director in his place

16 2 5 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the person entitled to the Share(s) of the last shareholder to have died or to have a bankruptcy order made against him has the right, by notice in writing, to appoint a natural person who is willing to act and is permitted to do so, to be a director

16 2 6 Subject to the provisions of the Act, the directors may appoint one or more of their number to the office of managing director or to any other executive office under the Company and may enter into an agreement or arrangement with any director for his employment by the Company or for the provision by him of any services outside the scope of the ordinary duties of a director Any such appointment, agreement or arrangement may be made upon such terms as the directors determine and they may remunerate any such director for his services as they think fit Any appointment of a director to an executive office shall terminate if he ceases to be a director but without prejudice to any claim to damages for breach of the contract of service between the director and the Company

### 16 3 Alternate Directors

16 3 1 Any director (other than an alternate director) may appoint any other director, or (without prejudice to Article 16 3 6) any other person approved by resolution of the directors and willing to act, to be an alternate director and may remove from office an alternate director so appointed by him



- 16 3 2 An alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member, to attend and vote at any such meeting at which the director appointing him is not personally present and generally to perform all the functions of his appointor as a director in his absence but shall not be entitled to receive any remuneration from the Company for his services as an alternate director. A director who is also an alternate shall be entitled in the absence of his appointor to a separate vote on behalf of his appointor in addition to his own vote
- 16 3 3 An alternate director shall cease to be an alternate director if -
- (a) his appointor ceases to be a director, but, if a director retires but is reappointed at the meeting at which he retires, any appointment of an alternate director made by him which was in force immediately prior to his retirement shall continue after his reappointment, or
  - (b) if any matter occurs in relation to the alternate which if it occurred in relation to his appointor would result in the termination of the appointor's appointment as a director
- 16 3 4 Any appointment or removal of an alternate director shall be by notice in writing to the Company signed by the director making or revoking the appointment or in any other manner approved by the directors
- 16 3 5 Save as otherwise provided in the Articles, an alternate director shall be deemed for all purposes to be a director and shall alone be responsible for his own acts and defaults and he shall not be deemed to be the agent of the director appointing him
- 16 3 6 An Investor Director shall be entitled to appoint any person willing to act, whether or not he is a director and including any person then acting as an alternate director for another Investor Director, to be his alternate director. The appointment of an alternate director by an Investor Director shall not require approval by a resolution of the directors or Investor Consent and an appointment of alternate director by any other director of the Company shall not be made without Investor Consent

#### 16 4 Proceedings of Directors

- 16 4 1 Notice of every meeting of the directors shall be given to each director -
- (a) 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
  - (b) 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 5 Business Days prior notice of a Board meeting shall be given (subject to regulation 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

- 16 4 2 Notices of meetings of the directors shall be given in writing
- 16 4 3 Regulation 11 of the Model Articles (as modified) shall be subject to Articles 16 4 4, 16 4 5, 16 5 and 16 6 and shall be modified by the substitution of the following words in place of the words in regulation 11(2) -

"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 "

- 16 4 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.
- 16 4 5 Subject to Articles 16 5 and 16 6, 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 regulation 7 of the Model Articles shall be modified by the insertion of the words "other than Article 16 4 5" at the end of regulation 7(2).
- 16 4 6 If during any meeting of the Board during a Material Default Period, subject to Articles 16 4 3, 16 6 4(b) and 16 6 4(c) but notwithstanding any other provision of these Articles -
- (a) 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
  - (b) 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.
- 16 4 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 16 4 7" in place of "article 8".
- 16 4 8 Minutes of meetings of the Board shall be prepared and circulated as soon as practicable and circulated to each director not more than 5 Business Days after the meeting and regulation 15 of the Model Articles shall be modified accordingly.

## 16 5 Transactional Conflicts

- 16 5 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 16 5 2 and 16 6 4, and the terms of any authorisation under Article 16 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

16 5 2 For the purposes of Article 16 5 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

## 16 6 Authorisation of Situational Conflicts

16 6 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 Director) 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

16 6 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

16 6 3 Any authorisation under 16 6 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 Directors), 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

16 6 4 Notwithstanding Articles 16 4 3, 16 4 5 and 16 4 6 (and without prejudice to Article 16 6 5(a)), at any meeting of the directors where the authorisation of a Conflict Situation pursuant to Article 16 6 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 would have been passed without counting the votes of any such interested director who votes

16 6 5 Subject to authorisation of a Conflict Situation in accordance with these Articles (including under Article 16 6 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

16 6 6 Where proposals concerning the authorisation by the directors of Conflict Situations of two or more directors under Article 16 6 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)

16 6 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)

16 6 8 For the purposes of this Article 16 6 -

- (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)

## 17 INVESTOR DIRECTORS AND OBSERVER

17 1 Notwithstanding any other provisions of these Articles, the Majority Holders shall be entitled by notice in writing to the Company to appoint as a director of the Company one person (the "**Investor Director**") and at any time and from time to time to remove from office in like manner 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 reasonable expenses to be paid to the Investor Director shall be payable by the Company Upon request by the Majority Holders the Company shall also procure that the Investor Director be appointed director to any subsidiary of the Company

17 2 On any resolution to remove an Investor Director, the A Ordinary Shares shall together carry at least one vote in excess of 75% of the votes exercisable at the general meeting at which such resolution is proposed

17 3 The Majority Holders shall have the right, where no Investor Director is for the time being appointed, 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 representatives 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 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)

## **18 CHAIRMAN OF THE BOARD AND SECRETARY**

18 1 The Board shall with the consent of the Investor have the right at any time and from time to time to appoint any person as Chairman of the Board and shall have the right with the consent of the Investor to remove from the office of Chairman of the Board any person appointed by it pursuant to this Article and to appoint another person as Chairman of the Board in his or her place (such appointment or removal to have effect as otherwise set out in such notice)

18 2 The Board (with Investor Consent) shall 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 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)

## **19 DIVIDENDS**

19 1 Regulations 30(1) to 30(4) (inclusive) of the Model Articles shall be subject to Article 4 2 (and regulations 30(5) to 30(7) shall be disapplied)

19 2 Except as otherwise provided by the rights attached to Shares, all dividends shall be declared and paid according to the amounts paid up on the Shares on which the dividend is paid All dividends shall be apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid, but, if any share is issued on terms providing that it shall rank for dividend as from a particular date, that share shall rank for dividend accordingly

## **20 MEANS OF COMMUNICATION TO BE USED**

20 1 Any notice to be given to or by any person pursuant to the Articles (other than a notice calling a meeting of directors) shall be in writing to an address for the time being notified for that purpose to the person giving the notice

20 2 The Company may give any notice to a Shareholder either by hand or by sending it by post in a prepaid envelope addressed to the Shareholder at his registered address or by leaving it at that address or by sending by electronic means to an address for the time being notified by the Shareholder to the Company for the purpose of sending communications by electronic means In the case of joint holders of a Share, all notices shall be given to the joint holder whose name appears first in the register of members in respect of the joint holding and notice so given shall be sufficient notice to all the joint holders

20 3 A Shareholder present, either in person or by proxy, at any meeting of the Company or of the holders of any class of Shares in the Company shall be deemed to have received notice of the meeting and, where requisite, of the purposes for which it was called

20 4 Proof that an envelope containing a notice was properly addressed, prepaid and posted in accordance with the Articles shall be conclusive evidence that that the notice was given Proof that a notice given by electronic means was properly addressed in accordance with the Articles shall be conclusive evidence that the notice was given A notice shall be deemed to be given at the expiration of 48 hours after the envelope containing it was posted or, in the case of a notice given by electronic means, at the expiration of 24 hours after the time it was sent For the purposes of this Article no account shall be taken of any day or any part of a day that is not a Business Day

## 21 DIRECTORS INDEMNITIES AND INSURANCE

21 1 Subject to Article 21 2, but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled -

21 1 1 each relevant officer shall be indemnified out of the Company's assets against all costs, charges, losses, expenses and liabilities incurred by him as a Relevant Officer -

(a) in the actual or purported execution and/or discharge of his duties, or in relation to them, and

(b) in relation to the Company's (or any Associated Company's) activities as trustee of an occupational pension scheme (as defined in section 235(6) of the Act),

including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to the Company's (or any Associated Company's) affairs, and

21 1 2 the Company may provide any Relevant Officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 21 1 1 and otherwise may take any action to enable any such Relevant Officer to avoid incurring such expenditure

21 2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law The directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any Relevant Loss