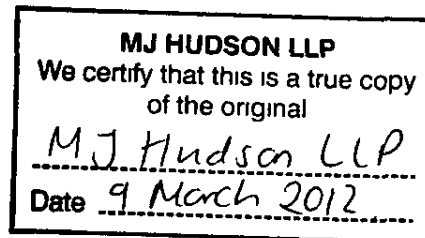


7925023

Extract from Written Resolution of the members of Knight Square Limited passed on 4 March 2012

- 1 "That the draft articles of association attached to this resolution be and they are adopted by the Company in substitution for, and to the exclusion of, its existing articles of association
2. That the two ordinary shares of £1 each currently in issue in the Company be and are hereby reclassified as C ordinary shares of £1 each and subject to the rights attaching to such shares in the articles of association adopted in special resolution no 1 above "



ALL  
JC

Company No 7925023

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**Articles of Association of  
Knight Square Limited**

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Incorporated 26 January 2012

Adopted by written resolution passed on 5 March 2012

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THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

KNIGHT SQUARE LIMITED

Adopted by written resolution passed on \_\_\_\_\_ 2012

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**1. PRELIMINARY**

Notwithstanding any other provision of these Articles, no regulations for management of the Company set out in any statute concerning companies or contained in any regulations, order, instrument or other subordinate legislation made pursuant to a statute (including, but not limited to, the regulations contained in the model articles for private companies limited by shares as set out in Schedule 1 to The Companies (Model Articles) Regulations 2008 (SI 2008/3229) (as amended from time to time)) shall apply to the Company. The following shall be the Articles of the Company.

**2. INTERPRETATION**

2.1 In these Articles unless the context otherwise requires each of the following words and expressions shall have the following meanings

"A Ordinary Shares"	the A ordinary shares of £0 000001 each in the capital of the Company having the rights set out in these Articles
"acting in concert"	the meaning set out in the City Code on Takeovers and Mergers for the time being
"Asset Sale"	has the meaning given to it in the Shareholders' Agreement
"Auditors"	the auditors to the Company appointed with Investors' Consent or, in the event these parties fail to agree, the President of the Institute of Chartered Accountants in England and Wales
"B Ordinary Shares"	the B ordinary shares of £0 2 each in the capital of the Company having the rights set out in these Articles

<b>"Bad Leaver"</b>	any Leaver who is not a Good Leaver or an Other Leaver
<b>"Bidco"</b>	Knight Diamond Limited, a company incorporated under the laws of England and Wales with company number 7925019 whose registered office is at 4 St Paul's Churchyard, London EC4M 8AY
<b>"Board"</b>	the board of directors of the Company from time to time
<b>"Business Day"</b>	a day (other than a Saturday or Sunday) on which banks in the jurisdiction of the address to which the notice is sent are open generally for the transaction of normal banking business
<b>"C Ordinary Shares"</b>	the C ordinary shares of £1 each in the capital of the Company having the rights set out in the Articles
<b>"Cessation Date"</b>	means the date upon which either any individual who is an employee or director of one or more Group Companies (other than an Investor Director) or an individual whose services are otherwise provided to any one or more Group Companies dies or gives or receives notice of either termination of employment or provision of services (as the case may be) with that Group Company
<b>"Chamonix"</b>	Chamonix Knight Limited, a company incorporated under the laws of England and Wales with company number 7927553, whose registered office is at St Paul's Churchyard, London EC4M 8AY
<b>"Chamonix's Aggregate Capital Investment"</b>	means the aggregate amount subscribed and paid up or credited as paid up (including premium) up to and including the date of issuance of a Come Along Notice (as defined herein) in respect of shares in the capital of the Company, and loan notes issued by Midco or otherwise in the Group
<b>"Chamonix Investor Director"</b>	any person appointed as a director of the Company by Chamonix in accordance with clause 5.1 of the Shareholders' Agreement, which expression shall, where the context so permits, include a duly appointed alternate of

	such a director
<b>"Closing"</b>	has the same meaning given to it under the Shareholders' Agreement
<b>"Companies Act 2006"</b>	the Companies Act 2006 (as amended from time to time)
<b>"Compulsory Transfer Notice"</b>	has the meaning given at Article 8 1
<b>"connected person"</b>	the meaning given to that expression in sections 1122 and 1123 of the United Kingdom Corporation Tax Act 2010 and "connected with" shall be construed accordingly
<b>"D Ordinary Shares"</b>	the D ordinary shares of £0 000001 each in the capital of the Company having the rights set out in the Articles
<b>"Deed of Adherence"</b>	means a deed substantially in the form set out in Schedule 4 to the Shareholders' Agreement amended and completed in accordance with clause 12 of the Shareholders' Agreement
<b>"Electra"</b>	means Electra PEP and Electra Club, such entities to be classed as one entity for the purpose of these articles, including but not limited to, the definition of Investors' Consent
<b>"Electra Club"</b>	means Electra Partners Club 2007 LP
<b>"Electra Investor Director"</b>	any person appointed as a director of the Company by the Majority Investor in accordance with clause 5 1 of the Shareholders' Agreement, which expression shall, where the context so permits, include a duly appointed alternate of such a director
<b>"Electra PEP"</b>	means Electra Private Equity Partners 2006 Scottish LP
<b>"electronic address"</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means
<b>"electronic form" and "electronic means"</b>	have the meaning given in section 1168 of the Companies Act 2006
<b>"Emergency Issue"</b>	means

- (a) all or any part of the principal amount of the Loan Notes (excluding Loan Notes held by the Group's chief executive officer, if any), or any interest thereon, has become due for repayment or payment and has not been paid (excluding non-payment due to administrative error) in full within 10 Business Days (or longer if agreed between the Board and the Investors) of the due date for payment (save in the case, where repayment is not permitted or able to be made pursuant to the terms of any of the Financing Documents as a result of a substantive breach thereof), or
- (b) an event of default or potential event of default has occurred (save for potential events of default that the Board and the Investors have agreed are capable of remedy) under any of the Financing Documents or any debenture of the Company or any other Group Company; or
- (c) (in the opinion of the Board) there has been or is likely to be a default and or breach of any material contract, whether a financing contract or otherwise, where such matter is capable of remedy by means of additional funding so as to preserve a reasonable and prudent working capital position for the Group, having regard to its usual past working capital practices and requirements and those of a business of the type carried out by the Group

**"Employee Trust"**

means any trust established to enable or facilitate the holding of Ordinary Shares and/or G Shares by, or for the benefit of, some or all of the bona fide employees of any member of the Group

**"Executives"**

the "Executives" as defined in the Shareholders' Agreement (including any additional or replacement "Executive" who is joined as an "Executive" in a Deed of Adherence executed in accordance with the

	Shareholders' Agreement)
<b>"Exit"</b>	Completion of <ul style="list-style-type: none"> <li>(a) a Sale,</li> <li>(b) a Listing, and/or</li> <li>(c) an Asset Sale</li> </ul>
<b>"Facilities Agreement"</b>	means the term and revolving facilities agreement to be entered into on or around the adoption of these Articles by, among others, (1) Midco as parent (the "Parent"), (2) the subsidiaries of the Parent listed in part I of schedule 1 thereto as original borrowers, (3) the subsidiaries of the Parent listed in part I of schedule 1 thereto as original guarantors, (4) the financial institutions listed in part II of schedule 1 thereto as original lenders, (5) the persons listed in part III of schedule 1 thereto as original hedge counterparties and (5) The Royal Bank of Scotland plc as agent, or any other provider of third party finance, arranger and security trustee (as amended, restated or replaced from time to time pursuant to a refinancing, recapitalisation or otherwise)
<b>"Fair Value"</b>	means, in relation to shares, the value thereof determined in accordance with Article 8
<b>"Family Member"</b>	the wife or husband or civil partner (or widow or widower or surviving civil partner), children and grandchildren (including step and adopted children and grandchildren) of a shareholder
<b>"Family Trust"</b>	<ul style="list-style-type: none"> <li>(a) means a trust under which. <ul style="list-style-type: none"> <li>(i) no immediate beneficial interest in the shares held by it or the income from such shares is for the time being or may in the future be vested in any person other than</li> <li>(A) the settlor or a Family Member of such settlor, or</li> <li>(B) any charity or charities as default beneficiaries (meaning that such charity or charities</li> </ul> </li> </ul>



have no immediate beneficial interest in the shares or the income from them when the trust is created but may become so interested if there are no other beneficiaries from time to time except another charity or charities), and

- (ii) no power of control over the voting powers conferred by the shares held by it is for the time being exercisable by or subject to the consent of any person other than the trustee or trustees or the settlor or a Family Member of such settlor

**"Financial Year"**

means an accounting period of 12 months (save for the first) in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Companies Act 2006

**"Financing Documents"**

has the meaning given to it in the Facilities Agreement

**"FSMA"**

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

**"G Shares"**

means the G shares of £0 000001 each in the capital of the Company having the rights set out in these Articles

**"Good Leaver"**

a person who is a Leaver as a result of

- (a) death, or
- (b) retirement at 65 years of age or more, or
- (c) Serious Ill Health, or
- (d) dismissal by the relevant group Company in breach of his service agreement, or
- (e) dismissal by the relevant Group Company which constitutes unfair dismissal (unless a claim for unfair dismissal arises solely as a result of a procedural irregularity by the relevant

Group Company in breach of any relevant policies, procedures and statutory procedures applicable at the relevant time) and/or wrongful dismissal, or

(f) redundancy; or

(g) the Board with Investors' Consent designating such person a Good Leaver

**"Group"**

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

**"hard copy form"**

has the meaning given in section 1168 Companies Act 2006

**"holder"**

in respect of any share in the capital of the Company, the person or persons for the time being registered by the Company as the holder of that share

**"Intercreditor Agreement"**

means the intercreditor agreement dated on or about the date of the adoption of these Articles and made between, among others, the Company, Midco, Bidco, the Debtors (as defined therein), The Royal Bank of Scotland plc as Security Trustee, Senior Agent, or any other provider of third party finance, and Arranger (as each term is defined therein), certain financial institutions as Senior Lenders (as such term is defined therein), the Ancillary Lenders (as Senior Lenders), the Hedge Counterparties, the Investors and the Intra Group Lenders (each as defined therein) (as amended, restated or replaced from time to time pursuant to a refinancing, recapitalisation or otherwise)

**"Investor Associate"**

means members of an Investor Group and any company or fund (including any unit trust or investment trust) or partnership (including a limited partnership) which is advised, or the assets of which are managed, (whether solely or jointly with others) from time to time by any Investor or any member of its Investor Group or by any person who advises or manages the assets (or some

material part thereof) of that Investor or any member of its Investor Group

**"Investors' Consent"**

the written consent of each of Chamonix and the Majority Investor for so long as (i) Chamonix (including its permitted transferees) and Electra (including its permitted transferees) each own at least a Minimum Holding and (ii) the Group not being in a Suspension Period. If Chamonix ceases to have a Minimum Holding and/or during a Suspension Period, the definition of "Investors' Consent" shall be the written consent of the Majority Investor only (so long as they hold a Minimum Holding). If Electra ceases to have a Minimum Holding, but Chamonix has a Minimum Holding and the Group is not in a Suspension Period, the definition of Investors' Consent should be the written consent of Chamonix only.

**"Investor Director"**

each Chamonix Investor Director and each Electra Investor Director and the expression "Investor Directors" shall mean all of them.

**"Investor Group"**

means in relation to an Investor, that Investor, its Subsidiaries and any person, fund, partnership or company (or any nominees of them) managed or advised by that Investor or any of its Subsidiaries or Holding Companies and in the case of Chamonix only, any fund or entity managed or advised by Chamonix Private Equity LLP and in the case of Electra only, any fund or entity managed or advised by Electra Partners LLP.

**"Investors"**

shall have the meaning set out in the Shareholders' Agreement.

**"Joint Election"**

a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003, such form approved by Investors' Consent.

**"Junior Loan Notes"**

means the unsecured 9% subordinated junior loan notes issued by Midco.

**"Leaver"**

means (excluding the Investors and all of their respective permitted transferees)

- (a) any individual who is an employee or director of one or more Group Companies (other than any Investor Director) who ceases to hold such position and who does not begin or continue otherwise to provide services to any Group Company, or
- (b) any individual whose services are otherwise provided to any one or more Group Companies and who ceases to provide such services and who does not become or continue to be an employee or director of one or more Group Companies

**"Listing"**

means the admittance of any of the Company's shares to trade on

- (a) any designated investment exchange (within the meaning of the FSA Rules) and any market specified in or established under a designated investment exchange, or
- (b) any recognised investment exchange (within the meaning of section 285 of the Financial Services and Markets Act 2000) and any market specified in or established under a recognised investment exchange including AIM

**"Loan Notes"**

means the Junior Loan Notes and the Senior Loan Notes

**"Loan Note Fair Value"**

means, in relation to Loan Notes, the value thereof determined in accordance with Article 8

**"Majority Investor"**

means Electra Club for so long as Electra Club holds Ordinary Shares and/or G Shares and/or Loan Notes and then it shall mean Electra PEP

**"Midco"**

Knight Midco Limited, a company incorporated under the laws of England and Wales with company number 7927619 whose registered office is at 4 St Paul's Churchyard, London EC4M 8AY

<b>"Minimum Holding"</b>	means a beneficial holding or controlling of at least 5% of the Ordinary Shares
<b>"Ordinary Shares"</b>	the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares
<b>"Other Leaver"</b>	a person who is a Leaver as a result of either (i) their Group Company employer or (ii) the Investors in accordance with the Shareholders' Agreement in each case terminating their service agreement in accordance with the terms therein
<b>"recognised investment exchange"</b>	has the meaning given to the expression in section 285(1) FSMA
<b>"Reserved Shares"</b>	means such Ordinary Shares (being either C Ordinary Shares and/or D Ordinary Shares, the relevant class to be determined at the time of the subscription, with Investors' Consent) which, when issued and added to the C shares issued on Closing, equate to 7.5% of the fully diluted share capital of the Company as at the date of Closing, and which are reserved for allotment and issue in accordance with clause 10.1 of the Shareholders' Agreement to the directors, officers or employees of, or consultants to, any Group Company from time to time after the date of Closing and which may be held in an Employee Trust
<b>"Sale"</b>	<p>means (1) the bona fide arms' length transfer (whether through a single transaction or a series of transactions) of ordinary shares in issue of the Company, Midco or Bidco (such transfer to include the transfer of any shares held by Electra Club) as a result of which a person (the "<b>Purchaser</b>") or any other person:</p> <ul style="list-style-type: none"> <li>(a) who is a connected person of the Purchaser, or</li> <li>(b) with whom the Purchaser is acting in concert,</li> </ul> <p>other than.</p> <ul style="list-style-type: none"> <li>(a) a person who is an original party to this</li> </ul>

agreement as an Investor, or

- (b) a new holding company of the Company which is inserted for the purposes of an Exit, in which the share capital structure of the Company is replicated,

would have the legal or beneficial ownership over that number of ordinary shares in the capital of the Company, Midco or Bidco, respectively, which in aggregate would confer more than 50% of the voting rights normally exercisable at general meetings of the Company, Midco or Bidco, respectively; and/or (ii) any form of capital reorganisation or scheme of arrangement or the like under the 2006 Act or the Insolvency Act 1986 (as amended from time to time) or otherwise where any person (or persons connected with each other, or persons acting in concert with each other) would acquire directly or indirectly beneficial ownership of or over that number of shares in the Company, Midco or Bidco which in aggregate would confer more than 50% of the voting rights normally exercisable at general meetings of the Company, Midco or Bidco, respectively

**"Senior Loan Notes"**

means the unsecured 15% senior loan notes issued by Midco

**"Serious Ill Health"**

the ill health or permanent disability of the Leaver rendering him incapable of continued full-time employment in his current position (or a comparable position at the location he is employed) with the Group

**"Shares" or "shares"**

the Ordinary Shares and the G Shares

**"Shareholders' Agreement"**

the shareholders' agreement dated on or about the date of adoption of these Articles and made between the Company, the Investors, the Executives (as defined therein), Midco and Bidco as may be supplemented, varied or amended or replaced from time to time

**"the Statutes"**

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

	force relating to companies and affecting the Company
<b>"Suspension"</b>	has the meaning given to it in the Shareholders' Agreement
<b>"Suspension Period"</b>	means any period of time when there is a Suspension
<b>"in writing"</b>	hard copy form or, to the extent agreed by the recipient (or deemed to be agreed by virtue of a provision of the Statutes), electronic form or website communication

Words and expressions defined in or having a meaning provided by the Statutes (but excluding any statutory modification not in force on the date of adoption of these Articles) or the Shareholders' Agreement will, unless the context otherwise requires, have the same meanings when used in these Articles

References to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision

Where the word "address" appears in these Articles it is deemed to include postal address and, where applicable, electronic address

## **SHARE CAPITAL AND SHARE RIGHTS**

### **3. ORDINARY SHARES**

#### **3.1 Share Capital**

- 3.1 1 Whenever the Company has only one class of share, unless otherwise authorised by these Articles, the directors shall not (save with Investors' Consent) exercise any power of the Company pursuant to Section 550, Companies Act 2006 to allot shares or to grant rights to subscribe for, or convert any security into, any shares in the Company
- 3 1 2 Subject to these Articles and the Shareholders' Agreement, but without prejudice to the rights attached to any existing share, the Company may (with Investors' Consent) issue shares with such rights or restrictions as may be determined by ordinary resolution
- 3.1 3 Subject to these Articles and the Shareholders' Agreement, the Company may (with Investors' Consent) issue shares which are to be redeemed, or are liable to be redeemed at the option of the Company or the holder, and the directors may (with Investors' Consent) determine the terms, conditions and manner of redemption of any such shares
- 3 1 4 Subject to these Articles and the Shareholders' Agreement, shares may be issued by the Company which are nil, partly or fully paid

3.1.5 Subject to these Articles and Shareholders' Agreement, the Company may (with Investors' Consent) pay any person a commission in consideration for that person subscribing, or agreeing to subscribe, for shares or procuring, or agreeing to procure, subscriptions for shares. Any such commission may be paid in cash, or fully paid or partly paid shares or other securities, or partly in one way and partly in the other and in respect of a conditional or an absolute subscription.

3.2 The rights attached to the Ordinary Shares and G Shares are as follows:

#### Dividends

3.2.1 Any profits of the Company available for distribution in respect of any Financial Year shall, subject to (i) the approval of an Investors' Consent and (ii) the terms of the Intercreditor Agreement, be distributed amongst the holders of the Ordinary Shares and G Shares then in issue so that each G Share receives 10% of the subscription price paid for such share and the remaining profits are distributed according to the number of Ordinary Shares held by each holder of Ordinary Shares respectively.

#### Capital

3.2.2 On a return of capital on liquidation or capital reduction or otherwise the surplus assets of the Company remaining after the payment of its liabilities shall be applied in the following manner and order of priority:

3.2.3 first, in paying to each holder of Ordinary Shares, any dividends thereon which have been declared but are unpaid;

3.2.4 secondly, in paying to each holder of G Shares 10% of the subscription price paid for each such G Share held by them; and

3.2.5 thirdly, in distributing the balance of such assets amongst the holders of the Ordinary Shares in proportion to the number of Ordinary Shares held by them respectively.

#### 3.3 Voting

3.3.1 The holders of the Ordinary Shares and G Shares shall be entitled to receive notice of and to attend and speak at any general meetings of the Company and the holders of G Shares who (being individuals) are present in person or by proxy or (being corporations) are present by duly authorised representative or by proxy shall, on a show of hands, have one vote, and, on a poll, shall have one vote for each G Share of which he is the holder. Ordinary Shares shall not be entitled to vote.

3.3.2 Any Ordinary Shares held by a Leaver shall, irrespective of whether the Board has served a notice requiring such member to transfer their shares in accordance with Article 8 (Compulsory Transfers), cease to confer upon that holder the right to receive notice to or be entitled to attend any general meeting provided that this restriction shall cease in the event that the shares are no longer held by such holder or, if earlier, upon an Exit.

3.3.3 Each holder of the Ordinary Shares and G Shares shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote (in relation to the G Shares only) at a meeting of the Company provided that each proxy



is appointed to exercise the rights attached to a different share or shares held by the holder of Ordinary Shares and G Shares

#### **4. ALLOTMENT OF SHARES**

4.1 Save as provided in clause 10.7 of the Shareholders' Agreement and except for the allotment and issue of the Reserved Shares no shares or relevant securities, which means all shares, rights to subscribe for shares or to receive them for no consideration and all securities convertible into shares, shall be issued without Investors' Consent

4.2 All shares which the Company proposes to allot wholly for cash shall first be offered for subscription to the Investors and the Executives in the proportion that the number of Ordinary Shares (as appropriate) for the time being held by each such person bears to the total number of the Ordinary Shares in issue unless there is an Emergency Issue pursuant to which all holders of Ordinary Shares hereby undertake to waive their rights of pre-emption contained in this Article 4 and hereby consent to the Company to issue shares or rights over shares to an Investor or any member of the Investors' Group, subject to the pre-emption rights waived by all holders of shares being applied retrospectively as soon as is reasonably practicable after the Emergency Issue has been resolved. Such offer shall be made by notice in writing specifying the maximum number of shares to which the relevant holder is entitled and a time (being not less than twenty days) within which the offer (if not accepted) will be deemed to have been declined. The offer may be accepted in whole or in part. After the expiration of such time, or upon receipt by the Company of an acceptance or refusal of every offer so made, the Board (with Investors' Consent) shall be entitled to dispose of any shares so offered, and which are not required to be allotted in accordance with this Article 4.2, in such manner as the Board (with Investors' Consent) may think most beneficial to the Company. If, owing to the inequality of the number of new shares to be issued and the number of shares held by holders entitled to receive the offer of new shares, any difficulties shall arise in the apportionment of any such new shares amongst the holders, such difficulties shall be determined by the Board (with Investors' Consent). The Board (with Investors' Consent) may determine that it shall be a term of an offer made pursuant to this Article 4.2 that the acceptors shall also subscribe for the same proportion of other securities (debt or equity) to be issued by the Company or any other member of the Group as is equal to the proportion of the number of shares being offered for which they subscribe.

4.3 Any securities or interest, issued pursuant to Clause 10.7 of the Shareholders' Agreement shall first be offered for subscription of the holders of Ordinary Shares on a pro rata basis.

4.4 Notwithstanding any other provisions of this Article 4, no shares shall be allotted to an Executive unless such Executive has first entered into a Deed of Adherence and a Joint Election.

4.5 Pursuant to Section 567, Companies Act 2006, sub-section (1) of Section 561, Companies Act 2006 and sub-sections (1) to (5) inclusive of Section 562, Companies Act 2006 shall be excluded from applying to the Company.

4.6 Except for the G Shares to be issued on Closing in accordance with the Shareholders' Agreement, each G Share which the Company proposes to allot shall first be offered

for subscription to the holders of G Shares on a pro rata basis and the provisions of Article 4 2 apply *mutatis mutandis*

## **TRANSFER OF SHARES**

### **5. GENERAL**

5.1 Except as provided in Article 6 (Permitted Transfers) or Article 7 (Change of Control) or as required by Article 8 (Compulsory Transfers) and subject to the further provisions of this Article, no Shares shall be transferred without prior Investors' Consent. For the avoidance of doubt Investors holding G Shares and/or Ordinary Shares shall be entitled to be counted in any consent in respect of any proposed transfer of their own shares. No transfer of any Share in the capital of the Company shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has, entered into a Deed of Adherence and, if the transferee is an Executive, has entered into a Joint Election which has also been signed by the Company. Subject thereto, the Board shall decline to register any transfer that is not made in accordance with the provisions of these Articles and shall register any transfer which is made in accordance with the provisions of these Articles. Any transfer made in breach of these Articles shall be void.

5.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer by a holder of Shares

- (a) a change in the constituent membership (including without limitation any change (howsoever implemented) in the legal or beneficial interest of any member) of a partnership or corporate which holds shares, and
- (b) any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of shares that a share be allotted or issued or transferred to some person other than himself; and
- (c) subject to Article 5 2(a), any sale or any other disposition (including by way of mortgage, charge or other security interest) of any legal or equitable interest in a share (including any voting right attached to it), (A) whether or not by the relevant holder, (B) whether or not for consideration, and (C) whether or not effected by an instrument in writing

5.3 All transfers of shares shall be effected using an instrument of transfer. The instrument of transfer of any fully paid share shall unless the directors otherwise resolve be signed by the transferor alone and in the case of any partly paid share the instrument of transfer shall be signed by the transferor and by the transferee. The transferor shall be deemed to remain the holder of such Share until the name of the transferee is entered in the register of members of the Company in respect thereof.

5.4 The instrument of transfer of any share shall be in writing in any usual common form or any form approved by the directors and shall specify the full name and address of the transferee.

5.5 Without prejudice to the generality of the foregoing, the directors may refuse to register a transfer unless the instrument of transfer

- (a) has been duly stamped,
  - (b) 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, and
  - (c) is in respect of only one class of shares
- 5 6 If the directors refuse to register any transfer of any Share they shall give notice thereof to the proposed transferor and transferee within two months after the date on which the instrument of transfer of such Share is lodged with the Company
- 5 7 The registration of transfers of Shares or of transfers of any class of Shares may be suspended at such times and for such periods as the directors may determine
- 5 8 The Company shall be entitled to retain any instrument of transfer of any share which is registered, but any instrument of transfer of any share which the directors refuse to register shall be returned to the person lodging it when notice of the refusal is given
- 5.9 If a holder dies, the survivor or survivors, where the deceased was a joint holder, and the executors, administrators or other legal personal representatives of the deceased, where the deceased was a sole or only surviving holder, shall be the only persons recognised by the Company as having any title to the interest of the deceased in the shares, but nothing herein contained shall release the estate of a deceased holder from any liability in respect of any share which had been jointly held by him.
- 5.10 A minor may not become a member of the Company unless the Shares were transmitted to him on the death of the holder thereof
- 5.11 To enable the Board to determine whether or not there has been any transfer of Shares in breach of these Articles the Board may, and shall if so requested in writing by any Investor, require any holder or the legal personal representatives of any deceased holder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the shares from time to time registered in the holder's name Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such breach has occurred, or that as a result of such information and evidence the Board is reasonably satisfied that such breach has occurred, the Board shall forthwith notify the holder of such shares in writing of that fact and, if the holder fails to remedy such breach within 20 days of receipt of such written notice, then
- (a) the relevant shares shall cease to confer upon the holder thereof (or any proxy thereof) any rights
    - (1) to vote (whether on a show of hands or on a poll); or

- (ii) to receive dividends or other distributions (other than the amount paid up (or credited as paid up) in respect of the nominal value (and any share premium) of the relevant shares upon a return of capital),

otherwise attaching to such shares or to any further shares issued in right of such shares or in pursuance of an offer made to the relevant holder, and

- (b) the holder may be required (by notice in writing to such holder from the Board) at any time following such notice to transfer some or all of his shares to such person(s) at a price determined by the Board

The rights referred to in Article 5 11(a) may be reinstated by the Board with Investors' Consent or, if earlier, upon the completion of any transfer referred to in Article 5 11(b)

5 12 If a holder defaults in transferring shares to be transferred pursuant to Article 5 11 or any Shares to be transferred pursuant to any other provisions of the Articles (the "Relevant Securities")

- (a) the chairman for the time being of the Company, or failing him one of the directors of the Company or some other person duly nominated by a resolution of the Board for that purpose, shall be deemed to be the duly appointed agent of the holder with full power to execute, complete and deliver in the name and on behalf of the holder all documents necessary to give effect to the transfer of the Relevant Securities to the relevant transferee,
- (b) the Board may receive and give a good discharge for the purchase money on behalf of the holder and (subject to the transfer being duly stamped) enter the name of the transferee in the register of members or other appropriate register as the holder by transfer of the Relevant Securities; and
- (c) the Board shall forthwith pay the purchase money into a separate bank account in the Company's name and if and when the holder shall deliver up his certificate or certificates for the Relevant Securities to the Company (or an indemnity in a form reasonably satisfactory to the Board in respect of any lost certificate) he shall thereupon be paid the purchase money, without interest and less any sums owed to the Company by the holder pursuant to these Articles or otherwise

The appointment referred to in Article 5 12(a) shall be irrevocable and is given by way of security for the performance of the obligations of the holder under these Articles

5 13 Ordinary Shares and/or G Shares held by Investors shall not be transferred to any person, save as permitted by Article 6 (Permitted Transfers), or otherwise permitted by the terms of these Articles, unless the transferor also transfers to the transferee all their rights and obligations in respect of such proportion of their Junior Loan Notes

5 14 Chamonix undertakes not to register the transfer of any shares in Chamonix save for in accordance with Article 6 1 5

## 6. PERMITTED TRANSFERS

Notwithstanding the provisions of any other Article, the transfers set out in this Article 6 shall be permitted without restriction and the provisions of Article 7 (Change of Control) shall have no application. However, if while a permitted transferee holds any Shares, such permitted transferee ceases to qualify as a permitted transferee in relation to the original transferor (the "**Original Holder**") (an "**Unwinding Event**"), then, prior to such Unwinding Event, such Original Holder and the permitted transferee shall take all actions necessary to effect a transfer of all Shares held by the relevant permitted transferee either back to the Original Holder or to another person that qualifies as a permitted transferee of such Original Holder and, until such transfer has occurred, such relevant permitted transferee shall not be entitled to vote or otherwise transfer its Shares and all other rights shall be suspended.

### 6.1 Permitted transfers by Investors

6.1.1 An Investor may transfer any or all of its Shares to an Investor Associate or to any other member of its Investor Group, but if a member of an Investor Group shall cease to be a member of an Investor Group in relation to the body first holding the relevant shares it shall, within 15 Business Days of so ceasing, transfer the shares held by it to such body or any Investor Group member of such body.

6.1.2 Any shares which are held by an Investor on behalf of any collective investment scheme (within the meaning of section 235 of FSMA), may be transferred to participants (within the meaning of that section), in the scheme in question.

6.1.3 Any Investor may transfer any shares to the beneficial owner of the shares, including, without limitation, to any person who becomes a general partner, nominee or trustee for a limited partnership, unit trust or investment trust in place of, or in addition to, such Investor.

6.1.4 Any member of the Electra Group may transfer any Shares to any other member of the Electra Group. For the purpose of this Article 6.1.4 the "**Electra Group**" means any person or company, funds of which at the relevant time are managed or advised by Electra Partners LLP.

6.1.5 Any shareholder of Chamonix may (i) if an individual, transfer shares held in Chamonix held by him to a Family Member, the trustee of a Family Trust or Chamonix Private Equity LLP or (ii) if a corporate shareholder to any member of the Chamonix Group. For the purposes of this Article 6.1.5, the "**Chamonix Group**" means any person or company, funds of which at the relevant time are managed or advised by Chamonix Private Equity LLP.

### 6.2 Permitted Transfers by all Shareholders

6.2.1 Subject to Article 6.2.2 any holder may at any time transfer any Shares in accordance with the provisions of the Statutes to the Company.

6.2.2 Any holder may at any time transfer all or any of his Shares to any other person with the prior written consent of the Board and an Investors' Consent.

6 2 3 Any holder may transfer shares the transfer of which would have the effect described in Article 7 (Change of Control) provided either an offer has been made and completed in accordance with Article 7 or a Come Along Notice has been served in accordance with either Article 7 3 and 7 4 Any holder of shares may transfer shares pursuant to the acceptance of such an offer or pursuant to a Come Along Notice

6 2 4 An Employee Trust may transfer Shares in accordance with the rules of the Employee Trust

### 6 3 Permitted Transfers by Executives

6 3 1 Any Executive may transfer Shares held by him to a Family Member or the trustees of a Family Trust If such transferee ceases to be a Family Member or the trustee of a Family Trust the Shares so transferred must be transferred back to the relevant holder

## 7. CHANGE OF CONTROL

### Tag along

7.1 Subject to Articles 7 2, 7.3 and 7 4, if the effect of any transfer of shares (the "Transfer") would, if made, result in there being a Sale, the Transfer shall not be made unless the proposed transferee has unconditionally offered to purchase all of the other issued ordinary share capital on the same terms and conditions as those of the Transfer, provided that no tagging shareholder (in its capacity as shareholder) shall be obliged to give any undertakings, representations or warranties (other than in respect of title to their shares and due capacity) in respect of the Group to a proposed transferor or any other person The offer shall remain open for acceptance for 21 days No offer shall be required under this Article 7 1 if a Come Along Notice (as defined in Article 7.3 below) has been served under Article 7 3

### Drag along

7 2 From Closing until the date which is the fifth anniversary of Closing, no Investor shall, without Investors' Consent or unless permitted pursuant to Article 7 3 or Article 7 4, be able to initiate or effect any transfer (whether in one or a series of related transactions) of Shares which would, if made, result in there being a Sale

7 3 From the day following the third anniversary of Closing until the day which is the fifth anniversary of Closing and if the effect of such Sale would, if made, result in Chamonix (together with its permitted transferees) receiving no less than four times Chamonix's Aggregate Capital Investment (the "**Drag Hurdle**"), Electra (which must include Electra Club (the "**Calling Shareholder**")) shall be entitled to transfer any Shares (the "**Triggering Transfer**") which would result in there being a Sale and shall have the right to require all the other holders of shares, including Chamonix (together with its permitted transferees), (other than shares held by any holder who is connected with or acting in concert with the proposed transferee of the shares proposed to be the subject of the Transfer) or any options, warrants or other rights to subscribe (the "**Called Shareholders**") to transfer to the proposed unconnected transferee (the "**Transferee**") all (but not some only) of their shares (including any acquired by them after service of the Come Along Notice (as defined herein), including but not limited to shares issued on exercise of any options, warrants or other

rights to subscribe) other than any shares which are to be redeemed on the date of the Sale. The transfer shall be on the same terms and conditions (which may include any number of conditions precedent) and the same cash consideration per share (or per share of each class, where relevant) as shall have been agreed between the Calling Shareholders and the Transferee in respect of the shares proposed to be transferred to the Transferee by the Calling Shareholders. The right of the Calling Shareholders shall be exercised by the Calling Shareholders giving written notice to the Called Shareholders to that effect (the "**Come Along Notice**") accompanied by copies of all documents required to be executed by the Called Shareholders to give effect to the required transfer. The Come Along Notice shall set out a date by which the Called Shareholders must transfer their shares to the Transferee, which date shall not be before one day following the later of (i) the date of service of the Come Along Notice, (ii) the date on which all the conditions precedent set out or referred to in the Come Along Notice are satisfied or waived and (iii) the date on which the shares to be transferred are allotted by the Company. The terms applying to the transfer by the Calling Shareholder must be no less favourable than those applying to the transfer of shares by the Calling Shareholder to the Transferee. The Called Shareholders (in their capacity as shareholders) shall not be obliged to give any representations and warranties (other than in respect of title to their shares and due capacity) in respect of the Group to the Transferee or any other person. Called Shareholders shall not be obliged to transfer any shares to the Transferee unless prior to or simultaneously with such transfer the Calling Shareholders have transferred or Transfer shares to the Transferee so as to give rise to a Sale.

- 7.4 Electra (which must include Electra Club), may at any time during a Suspension Period notwithstanding whether the Drag Hurdle has been reached or not, issue a Come Along Notice and the provisions and requirements of Article 7.3 shall apply *mutatis mutandis*
- 7.5 At any time following the fifth anniversary of Closing, Electra (which must include Electra Club) shall be entitled to drag the Called Shareholders in accordance with the process set out in above Article 7.3 and such right shall not be subject to the Drag Hurdle
- 7.6 If a Called Shareholder makes default in transferring its shares pursuant to Article 7.3, the provisions of Article 5.12 (Transfer of Shares) (reference therein to the holder, Relevant Securities, transferee and documents being construed in accordance with the provisions of this Article 7 and as if references to the "purchase money" were to the consideration (whether cash or otherwise) payable by the Transferee and the reference to a "separate bank account" included reference to a separate nominee security account) shall apply to the transfer of such shares *mutatis mutandis*
- 7.7 No Come Along Notice shall ever be issued unless the offer constitutes a bona fide arms' length transaction and is from an unconnected third party

## 8. **COMPULSORY TRANSFERS**

- 8.1 An Investor Director, with Investors' Consent, shall be entitled at any time following a Cessation Date to serve a written notice (the "**Compulsory Transfer Notice**") on a Leaver (and his permitted transferees) who hold shares and/or Loan Notes. The Compulsory Transfer Notice may require the relevant holder(s), within ten days of the

Compulsory Transfer Notice, to transfer the shares and Loan Notes held by them to such person(s) being either the Company, a member of the Group, an Employee Trust, a company or person to warehouse or hold such shares or Loan Notes temporarily, or a person (being an existing or prospective employee) as the Board, with the Investors' Consent, may nominate and at such prices (subject to the price being not less than that provided for in Article 8 2) in each case as are specified in the Compulsory Transfer Notice. If the relevant Leaver (or his permitted transferees) make(s) default in transferring the shares or Loan Notes required to be transferred, the provisions of Article 5 12 (Transfer of Shares) shall apply (references therein to the holder, Relevant Securities, transferee and documents being construed in accordance with the provisions of this Article 8)

8 2 The price at which such shares and Loan Notes may be required to be transferred pursuant to Article 8 1 shall be determined by the Board (with prior Investors' Consent) and shall be

- (a) if the Leaver is a Good Leaver Fair Value in respect of the shares and in respect of the Loan Notes, the higher of
  - (i) Loan Note Fair Value, and
  - (ii) the full par value of such Loan Notes plus any accrued and unpaid interest thereon at such date,
- (b) if the Leaver is a Bad Leaver the lower of
  - (i) the acquisition cost of the shares and/or the subscription price of the Loan Notes, and
  - (ii) Fair Value in respect of the shares and/or Loan Note Fair Value in respect of the Loan Notes (or such higher value as is agreed in writing by the Board (with prior Investors' Consent)), or
- (c) if the Leaver is an Other Leaver the Leaver's shares and Loan Notes shall vest according to the below vesting schedule. With respect to his vested shares only, he will receive Fair Value and the acquisition cost for the balance of his shares that have not been vested. With respect to his vested Loan Notes only he will receive Loan Note Fair Value and the subscription price for the balance of his Loan Notes. By way of illustration only, if a Leaver's Cessation Date is twenty-five months after his date of commencement, he will receive Fair Value with respect to 20% of his entire shareholding and Loan Note Fair Value with respect to 20% of his total Loan Note holding and the acquisition cost for the balance of his shares that have not vested and subscription cost for the balance of his Loan Notes that have not vested

Other Leaver's Cessation Date is.	Vesting Schedule
on or before the first anniversary of the date on which the Other Leaver became a Group employee or director (" <b>Commencement Date</b> ")	Nil



on or after the first anniversary but before the second anniversary of the Other Leaver's Commencement Date	10%
on or after the second anniversary but before the third anniversary of the Other Leaver's Commencement Date	20%
on or after the third anniversary but before the fourth anniversary of the Other Leaver's Commencement Date	35%
on or after the fourth anniversary but before the fifth anniversary of the Other Leaver's Commencement Date	55%
on or after the fifth anniversary of the Other Leaver's Commencement Date	75%

- 8 3 In determining the Fair Value of the shares the subject of the Compulsory Transfer Notice the Company may propose to the Leaver a price which if accepted by the Leaver shall be deemed to be the Fair Value. In the absence of agreement Fair Value shall be determined in accordance with Article 8 5 or, at the election of the Company, Fair Value shall be based upon the price per share implied in the Fair Value last determined pursuant to Article 8 5 where such determination took place within the 12 months prior to the Cessation Date
- 8 4 In determining the Loan Note Fair Value of any Loan Notes the subject of the Compulsory Transfer Notice, the Company may propose to the Leaver a price which if accepted by the Leaver shall be deemed to be the Loan Note Fair Value. In the absence of agreement, Loan Note Fair Value shall be determined in accordance with Article 8 6 or, at the election of the Company, Loan Note Fair Value shall be based upon the Loan Note value implied in the Loan Note Fair Value last determined pursuant to Article 8 6 where such determination took place within the 12 months prior to the Cessation Date
- 8 5 Subject to Article 8 3, Fair Value of the C Ordinary Shares and/or D Ordinary Shares the subject of the Compulsory Transfer Notice (the "**Transferred Shares**") shall be the market value of the Transferred Shares as between a willing buyer and a willing seller and be on a fully diluted basis (therefore on the assumption that all options and/or rights in relation to all Ordinary Shares have been exercised and/or granted and that any unissued Ordinary Shares are in issue) as certified by the Auditors acting as experts and not arbitrators and whose determination shall be final and binding on the parties concerned absent manifest error. In arriving at the Fair Value of the Transferred Shares, the Auditors shall be instructed to
- (a) determine the "**Enterprise Value**" which shall mean the price obtainable on a sale of all of the issued shares of the Company of whatever class between a willing buyer and a willing seller on a fully diluted basis (on the assumption that the entire issued share capital of the Company is being sold for cash) free of any indebtedness that is outstanding under the Financing Documents, the Loan Notes and any other indebtedness outstanding as at the Cessation Date save that the auditors shall exclude any premium that might arise as a result of the sale of control of the Company,
  - (b) deduct from the Enterprise Value an amount equal to that which would be required as at the Cessation Date to repay, prepay or redeem all amounts

(including all arrears and accruals of interest, fees and other costs, and expenses payable) outstanding under

- (i) the Financing Documents,
  - (ii) any other shareholder debt instruments (including the Loan Notes),
  - (iii) any other indebtedness outstanding, and
  - (iv) any tax or other liabilities incurred or due to be incurred by the Company on any debt instruments,
- (c) use the resultant figure as the valuation of all of the issued ordinary share capital from which they determine the market value of the Transferred Shares as between a willing buyer and a willing seller

- 8 6 Subject to Article 8 4, Loan Note Fair Value of the Loan Notes the subject of the Compulsory Transfer Notice (the "**Transferred Loan Notes**") shall be the market value of the Transferred Loan Notes as between a willing buyer and a willing seller as certified by the Auditors acting as experts and not arbitrators and whose determination shall be final and binding on the parties concerned absent manifest error
- 8 7 The costs and expenses of the Auditors shall be borne by the Company who shall be reimbursed by the Leaver, if such Leaver is a Bad Leaver but not otherwise, by having such sum deducted directly from the proceeds the Leaver is entitled to pursuant to Article 6 (Permitted Transfers) unless the value determined by the Auditors is 20% or more higher than that proposed by the Company, in which case such costs and expenses shall be borne by the Company
- 8 8 Any taxes (save for stamp duty or any other transfer taxes or duties which are payable by the purchaser of the Transferred Shares) which arise (excluding employer's secondary Class I National Insurance contributions) on the sale of the Transferred Shares are to be borne by the Leaver.

## **GENERAL**

### **9. GENERAL MEETINGS**

- 9 1 No business shall be transacted at any general meeting unless a quorum of holders is present at the time when the meeting proceeds to business and for its duration Two persons, being a representative from Chamonix and a representative from Electra present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting, *provided that each of Chamonix and Electra holds a Minimum Holding and the Company is not in a Suspension Period* If Chamonix ceases to have a Minimum Holding and/or the Group is in a Suspension Period, the quorum should be one person, being a representative of Electra. If a meeting is adjourned because a quorum is not present, and at the adjourned meeting a quorum is not present within half an hour from the time appointed for that adjourned meeting, the holders then present shall form a quorum
- 9 2 A poll may be demanded at a general meeting either by the chairman of the meeting or by any holder who is present in person, by proxy or by duly authorised

representative (if a corporation) and who, in any such case, has the right to vote at the meeting

#### **10. NOTICE OF GENERAL MEETINGS**

- 10 1 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 95% in nominal value of the shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting
- 10 2 Every notice concerning a general meeting shall be given in accordance with the Companies Act 2006 that is, in hard copy form, electronic form or by means of a website
- 10 3 The Company may send a notice of meeting by sending it in electronic form and if notice is sent in this way it will be valid provided it complies with the relevant provision of the Companies Act 2006.

#### **11. WRITTEN RESOLUTIONS**

- 11 1 A written resolution, proposed in accordance with section 288(3) of the Companies Act 2006, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.
- 11 2 For the purposes of this Article 11 "circulation date" is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days

#### **12. NUMBER OF DIRECTORS AND METHODS OF APPOINTING DIRECTORS**

- 12 1 The number of directors (other than alternate directors) shall not be less than five nor more than ten
- 12 2 Subject to these Articles and clause 5 of the Shareholders' Agreement and provided that the appointment does not cause the number of directors to exceed the maximum number set out in Article 12 1, any person who is willing to act as a director, and is permitted by law to do so, may be appointed to be a director
  - (a) by ordinary resolution, or
  - (b) by a decision of the Investor Directors
- 12 3 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee of the last shareholder to have died or to have had a bankruptcy order made against him, as the case may be, shall have the right, by notice in writing to the Company, to appoint any one person to be a director, provided such person is a natural person in accordance with Section 155, Companies Act 2006 and provided such person is willing to be so appointed and is otherwise permitted by law to be a director of the Company

### **13. TERMINATION OF DIRECTOR'S APPOINTMENT**

A person ceases to be a director as soon as

- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
- (b) a bankruptcy order is made against that person,
- (c) a composition is made with that person's creditors generally in satisfaction of that person's debts,
- (d) a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months,
- (e) by reason of that person's mental health, a court having jurisdiction (whether in the United Kingdom or elsewhere) makes an order which wholly or partly prevents that person from personally exercising any powers or rights which that person would otherwise have,
- (f) notification is received by the Company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms, or
- (g) save in the case of Investor Directors that person has, for more than three consecutive months, been absent without permission of the directors from meetings of directors held during that period and the directors make a decision that that person's office be vacated

### **14. REMOVAL OF DIRECTORS**

- 14 1 The office of any director shall be vacated if
- 14 2 (in the case of an executive director only) he shall, for whatever reason, cease to be employed by the Company or any subsidiary of the Company and he does not remain an employee of any other Group Company, or
- 14 3 (other than in the case of Investor Directors) all the other directors or an Investors' Consent is obtained to request his resignation in writing

### **15. INVESTOR DIRECTORS**

Subject to clause 10 3 of the Shareholders' Agreement and for so long as each of Chamonix and Electra has a Minimum Holding, each of Chamonix and the Majority Investor may, at any time, by notice in writing served on the Company nominate up to three persons to be a director of the Company and may similarly require the removal from office of any such person and nominate another person in his place. Immediately upon service of any such notice the directors shall procure the appointment or removal (as the case may be) of the nominated director who is the subject of such notice with effect from the date of receipt of the notice.

## **16. ALTERNATE DIRECTORS**

- 16 1 The appointment by any Investor Director of an alternate director shall not be subject to approval by a resolution of the Board
- 16 2 An alternate director shall not be entitled (as such) to receive any remuneration from the Company, save that he may be paid by the Company such part (if any) of the remuneration otherwise payable to his appointor as such appointor may, by notice in writing to the Company from time to time, direct
- 16.3 A director, as modified by Article 16 1 may act as an alternate director to represent more than one director, and an alternate director shall be entitled at any meeting of the Board (or of any committee of the Board) to one vote for every director whom he represents (in addition to his own vote (if any) as a director), but he shall count as only one for the purpose of determining whether a quorum is present at (and during) any such meeting

## **17. PROCEEDINGS OF DIRECTORS**

- 17 1 The quorum for meetings of the Board shall be at least two Investor Directors, one Investor Director appointed by Chamonix and one Investor Director appointed by the Majority Investor and one executive director
- 17 2 Any director or member of a committee of the Board may participate in a meeting of the Board or such committee by means of conference telephone or similar communications equipment whereby all persons participating in the meeting can hear and speak to each other, and any director or member of a committee participating in a meeting in this manner shall be deemed to be present in person at such meeting
- 17 3 Not fewer than five Business Days' notice of each meeting of the Board or of a committee of the Board, together with the agenda for the meeting and all supporting papers, shall be given to the directors. Any matter which was not specifically listed or disclosed in such agenda may not be discussed at any meeting of the Board or relevant committee unless an Investor Director of each Investor agrees in writing (or waives this restriction in writing)
- 17 4 If such quorum for the directors' meeting is not present within half an hour from the time appointed for the meeting, or if during the meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place or to such time and place as an Investor Director may determine. If a meeting is adjourned because a quorum is not present and at the adjourned meeting a quorum is not present within half an hour of the time set for that meeting, one Investor Director and one other director (which, for the avoidance of doubt, could be another Investor Director) shall constitute a quorum

## **18. DIRECTORS INTERESTS**

- 18 1 Provided that he has disclosed to the directors the nature and extent of any interest of his in accordance with and to the extent required by the Companies Act 2006 or the interest is deemed disclosed by article 18 2, 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 otherwise interested;
- (b) may be a director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is interested or any Group Company or any body corporate in which any Group Company is interested,
- (c) may act, by himself or through a firm in which he is interested, in a professional capacity for the Company or any Group Company or any body corporate in which any Group Company is interested (otherwise than as auditor),
- (d) may hold any other place of profit with the Company (otherwise than as auditor) in conjunction with his office as the directors may determine, and
- (i) he shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which he or any other person derives from any such office or employment or from any such transaction or arrangement or from acting in a professional capacity or from any interest in any such undertaking or body corporate,
- (ii) no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or remuneration or other benefit, and
- (iii) receipt of any such remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Companies Act 2006.

18 2 For the purposes of this article 18 a director shall be deemed to have disclosed the nature and extent of an interest which consists of him being a director, officer or employee of any Group Company

18 3 For the purposes of this article 18 a conflict of interest includes a conflict of interest and duty and a conflict of duties

## **19. DIRECTORS' CONFLICTS**

19 1 For the purposes of section 175 of the Companies Act 2006, the directors may authorise any matter proposed to them which would, if not so authorised, constitute or give rise to an infringement of duty by a director under that section

19 2 Any authorisation of a matter pursuant to article 19 1 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised

19 3 Any authorisation of a matter under article 19 1 shall be subject to such conditions or limitations as the directors may specify, whether at the time such authorisation is given or subsequently, and may be terminated or varied by the directors at any time A director shall comply with any obligations imposed on him by the directors pursuant to any such authorisation

- 19 4 A director shall not, by reason of his office or the fiduciary relationship thereby established, be accountable to the Company for any remuneration or other benefit which derives from any matter authorised by the directors under article 19 1 and any transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such remuneration or other benefit or on the ground of the director having any interest as referred to in the said section 175
- 19 5 A director shall be under no duty to the Company with respect to any information which he obtains or has obtained otherwise than as a director or officer or employee of the Company and in respect of which he owes a duty of confidentiality to another person. However, to the extent that his connection with that other person conflicts, or possibly may conflict, with the interests of the Company, this article 19 5 applies only if the existence of that connection has been authorised by the directors under article 19 1 above. In particular, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he fails
- (a) to disclose any such information to the directors or to any director or other officer or employee of the Company, and/or
  - (b) to use any such information in performing his duties as a director or officer or employee of the Company
- 19 6 Where the existence of a director's connection with another person has been authorised by the directors under article 19 1 and his connection with that person conflicts, or possibly may conflict, with the interests of the Company, the director shall not be in breach of the general duties he owes to the Company by virtue of sections 171 to 177 of the Companies Act 2006 because he
- (a) absents himself from meetings of the director or any committee thereof at which any matter relating to the conflict of interest or possible conflict of interest will or may be discussed or from the discussion of any such matter at a meeting or otherwise, and/or
  - (b) makes arrangements not to receive documents and information relating to any matter which gives rise to the conflict of interest or possible conflict of interest sent or supplied by the Company and/or for such documents and information to be received and read by a professional adviser,
- for so long as he reasonably believes such conflict of interest (or possible conflict of interest) subsists
- 19 7 The provisions of articles 19 5 and 19 6 are without prejudice to any equitable principle or rule of law which may excuse the director from.
- (a) disclosing information, in circumstances where disclosure would otherwise be required under these articles or otherwise,
  - (b) attending meetings or discussions or receiving documents and information as referred to in article 19 6 in circumstances where such attendance or receiving

such documents and information would otherwise be required under these articles

**20. THE SEAL**

20 1 If the Company has a seal it shall only be used with the authority of the Board or of a committee of the Board. The Board may determine who shall sign any instrument to which the seal is affixed and, unless otherwise so determined, it shall be signed by one Director whose signature shall be attested in the presence of a witness or by one Director and by the secretary or a second director

20 2 The Company may exercise the powers conferred by section 49 of the Companies Act 2006 with regard to having an official seal for use abroad, and such powers shall be vested in the Board

**21. INDEMNITIES FOR DIRECTORS**

21 1 Subject to the provisions of, and so far as may be permitted by, the Statutes but without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company may indemnify every director, alternate director, auditor, secretary or other officer of the Company against all costs, charges, losses, expenses and liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, auditor, secretary or other officer of the Company and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the Companies Act 2006

21 2 The directors may purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, alternate director, auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the Companies Act 2006) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, alternate director, auditor, secretary or other officer of the Company or associated company

21 3 Subject to the provisions of, and so far as may be permitted by, the Statutes, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred

21 3 1 in defending any criminal or civil proceedings, or

21 3 2 in connection with any application under sections section 661(3), section 661(4) or section 1157 of the Companies Act 2006



## **22. BORROWING POWERS**

Subject to the terms of the Shareholders' Agreement including the Reserved Matters (as defined therein) and all Finance Documents, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the Companies Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party

## **23. LIEN**

23 1 The Company has a lien (the "**Company's Lien**") over every share (whether fully paid or not) registered in the name of any person (whether he is the sole registered holder or one of two or more joint holders) for all moneys payable by him or his estate (and whether payable by him alone or jointly with any other person) to the Company (whether presently payable or not)

23 2 The Company's lien over a share

- (a) takes priority over any third party's interest in that share, and
- (b) extends to any dividend (or other assets attributable to it) or other money payable by the Company in respect of that share and (if the lien is enforced and the share is sold by the Company) the proceeds of sale of that share

23 3 The directors may, at any time, decide that a share which is or would otherwise be subject to a lien pursuant to these Articles shall not be subject to it, either wholly or in part

## **24. AUDITORS**

### **Auditors' appointment and re-appointment**

24 1 Auditors must be appointed for each Financial Year of the Company. Other than the Company's first Financial Year, the appointment must be made in the period for appointing auditors as defined in section 485 of the Companies Act 2006

24 2 Auditors cease to hold office at the end of next period for appointing auditors unless and until they are re-appointed

## **25. DOCUMENTS SENT IN ELECTRONIC FORM OR BY MEANS OF A WEBSITE**

25 1 Where the Statutes permit the Company to send documents or notices to its members in electronic form or by means of a website, the documents will be validly sent provided the Company complies with the requirements of the Statutes

25 2 Subject to any requirement of the Statutes, only such documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices

sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified

**26. NOTICES**

- 26 1 When any holder of Shares has given to the Company as his registered address on address outside of the United Kingdom he shall be entitled to have notices given to him at that address
- 26 2 Where a notice has sent by first class post the notice shall be deemed to have been given at the expiration of 24 hours after the envelope containing the same is posted Where a notice is sent in electronic form, the notice shall be deemed to have been given at the expiration of 24 hours after the time of transmission
- 26 3 Where a notice is sent by making it available on a website, the notice shall be deemed to have been given either when it was first made available on the website or when the holder of shares received or was deemed to have received notice of the fact that the notice was available on the website
- 26 4 If at any time by reason of the suspension or curtailment of postal services within the United Kingdom the Company is unable effectively to convene a general meeting by notices sent through the post, a general meeting may be convened by a notice advertised in at least one national daily newspaper and such notice shall be deemed to have been duly served on all holders of Shares entitled thereto at noon on the day when the advertisement appears In any such case the Company shall send confirmatory copies of the notice by post if at least seven days prior to the meeting the posting of notices to addresses throughout the United Kingdom again becomes practicable

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