

Company number 08423025

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTIONS

of

DARWIN LOAN SOLUTIONS LIMITED (Company)

On 24 July 2017 the following resolutions were duly passed as written resolutions of the Company pursuant to section 288 of the Companies Act 2006.

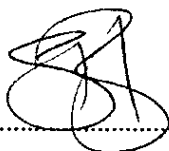
ORDINARY RESOLUTION

1. THAT, in accordance with section 551 of the 2006 Act, the directors be generally and unconditionally authorised to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (**Rights**) up to an aggregate nominal amount of £16.00 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary from the date this resolution is passed, save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted or Rights to be granted and the directors may allot shares or grant Rights in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired.

This authority is in substitution for all previous authorities conferred on the directors in accordance with section 551 of the 2006 Act.

SPECIAL RESOLUTIONS

2. THAT, subject to the passing of resolution 1 above, the directors be given the general power to allot equity securities (as defined by section 560 of the 2006 Act) for cash pursuant to the authority conferred by resolution 1 as if section 561(1) of the 2006 Act did not apply to any such allotment, provided that this power shall be limited to the allotment of equity securities up to an aggregate nominal amount of £16.00. The power granted by this resolution will expire on the fifth anniversary from the date this resolution is passed (unless renewed, varied or revoked by the Company prior to or on such date) save that the Company may, before such expiry make offers or agreements which would or might require equity securities to be allotted after such expiry and the directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired.
3. THAT the draft articles of association attached to this resolution be adopted as the articles of association of the Company in substitution for, and to the exclusion of, the existing articles of association.



Director

WEDNESDAY



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COMPANIES HOUSE

Company number 08423025

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

DARWIN LOAN SOLUTIONS LIMITED (Company)

On 16 August 2017 the following resolution was duly passed as a written resolution of the Company pursuant to section 288 of the Companies Act 2006.

SPECIAL RESOLUTION


1. THAT the articles of association of the Company be amended as follows:

Article 3.4.1 and Article 3.4.2 shall be deleted in their entirety and replaced with the following provisions:

- 3.4.1 First, in paying to the holders of the A Shares, B Shares the relevant percentage of the Notional Matched Interest as at the date of the return of capital on Exit in accordance with the following table:

Class of Shareholder	Relevant percentage of Notional Matched Interest
A Shares	90%
B Shares	10%

- 3.4.2 Second, in paying to each of the holders of Preferred C Shares and to each of the holders of Preferred D Shares an amount equal to the Non-Founder Shareholder Notional Interest that it is deemed to have accrued on the Non-Founder Shareholder Debt owing from time to time to each such holder respectively.


.....
Director

Company Number: 08423025

COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION

OF

DARWIN LOAN SOLUTIONS LIMITED

(adopted by Special Resolution on 16 August 2017)

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THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
OF

DARWIN LOAN SOLUTIONS LIMITED

(Adopted by special resolution passed on 16 August 2017)

AGREED TERMS

1 INTERPRETATION

1.1 In these Articles, unless the context otherwise requires:

“**A Director**” means any Director determined by the A Shareholders as an A Director pursuant to Article 20;

“**A Share**” means an issued A ordinary share of £0.10 in the Company;

“**A Shareholder**” means a registered holder of any A Shares;

“**Act**” means the Companies Act 2006;

“**Allocation Notice**” has the meaning given in Article 12.9;

“**appointor**” has the meaning given in Article 21.1;

“**Approved Offer**” has the meaning given in Article 13.2;

“**Articles**” means the Company’s articles of association for the time being in force;

“**Auditors**” the auditors for the time being of the Company;

“**Authorised Bank**” means an authorised person (within the meaning of section 31(2) FSMA) with a Part IV permission (within the meaning of section 40(4) FSMA) which includes accepting deposits, or otherwise authorised in respect of that activity under section 31(1) FSMA;

“**B Director**” means any Director determined by the B Shareholders as a B Director pursuant to Article 20;

“**B Share**” means an issued B ordinary share of £0.10 in the Company;

“**B Shareholder**” means a registered holder of any B Shares;

“**Bad Leaver**” means a Relevant Individual who ceases to be an employee and/or Director of the Company or any Member of the Group and who is not a Good Leaver;

“**Base Amount**” means the sum of £74,284;

“**Board**” means the incumbent board of directors;

"Business Day" means any day (other than a Saturday, Sunday or public holiday in the United Kingdom) on which clearing banks in the City of London are generally open for business;

"Buyer" has the meaning given in Article 13.1;

"C Share" means an issued C ordinary share of £0.10 in the Company;

"C Shareholder" means a registered holder of any C Shares;

"Call" has the meaning given in Article 13.1;

"Call Notice" has the meaning given in Article 13.1

"Cash Equivalent" means:

- (a) where the consideration comprises listed securities, the average of the middle market prices at the close of dealings on each of the five dealing days prior to the date of the Exit;
- (b) where the consideration comprises loan notes, loan stock or other debt instruments guaranteed unconditionally by an Authorised Bank their face value (where the rate of interest is at least equivalent to the three month London Interbank Bid Rate) and, if less, such value will be discounted by reference to the discount rate implied in the flow of money from a gilt of equivalent maturity;
- (c) where the consideration comprises unlisted securities or other instruments not guaranteed by an Authorised Bank, the fair current value of the same;
- (d) where the consideration comprises future fixed payments, the fair current value of the same;
- (e) where the consideration comprises future contingent payments the fair current value of the same taking account of the nature of the contingency and likelihood of payment based upon the information available at the time of calculation of Cash Equivalent is to be made,

and **"fair current value"** for the purposes of paragraphs (c) (d) and (e) of this definition shall be the value agreed as such by the holders of 75% or more of the A Shares and 75% or more of the B Shares and in the event of a dispute as to what "fair current value" is it shall be determined in accordance with Article 1.7;

"Cessation Date" means the date on which a Relevant Individual ceases to be an employee or Director of any Group member for any reason (including, without limitation, death and those set out in Article 22) or the date a Relevant Individual would if he was a Director (if he is not actually a Director) have to vacate his office as a Director in accordance with Article 22;

"Change of Control" means the acquisition whether by purchase, transfer, renunciation or otherwise by any third party buyer of any interest in any Shares if, upon completion of that acquisition, the third party buyer, together with persons acting in concert or connected with him, would hold more than 50% of the voting rights at a general meeting of the Company attached to the issued Shares for the time being;

"Commencement Date" means the date of adoption of these Articles;

"Companies Act" means the Companies Act 2006 (as amended);

"Company's Lien" has the meaning given Article 28.1;

"Compulsory Sale Notice" means a notice served on a Compulsory Seller pursuant to Article 10.2;

"Compulsory Seller" and **"Compulsory Sellers"** shall have the meanings given in Article 10.2;

"Conflict" has the meaning given in Article 17.1;

"Connected Person" has the meaning given in sections 1122 and 1123 of the Corporation Tax Act 2010;

"Controlling Interest" in relation to a person means the ownership by that person and his or its Connected Persons of Shares carrying the right to more than 50% of the total number of votes which may be cast on a poll at a general meeting of the Company;

"D Share" means an issued D ordinary share of £0.10 in the Company;

"D Shareholder" means a registered holder of any D Shares;

"Deceased Shareholder" means an A Shareholder, B Shareholder, Preferred C Shareholder, Preferred D Shareholder, C Shareholder, D Shareholder, E Shareholder, F Shareholder, G Shareholder or H Shareholder who is:

- (a) not a Relevant Individual; and
- (b) holds less than 25% of all the issued A Shares or less than 25% of all the issued B Shares;

who dies;

"Determined C Share Percentage" means such percentage as may be determined to be the Determined C Share Percentage in accordance with Article 3.2 and in the absence of any such determination being in force at any time, the Determined C Share Percentage at that time shall be 0%;

"Determined D Share Percentage" means such percentage as may be determined to be the Determined D Share Percentage in accordance with Article 3.2 and in the absence of any such determination being in force at any time, the Determined D Share Percentage at that time shall be 0%;

"Director" means a Director of the Company and includes any person occupying the position of Director, by whatever name called;

"Disposal" means a sale or other disposal by the Company (whether by a single or a series of connected transactions) of the whole or substantially the whole of its assets and undertaking;

"Distributable Profits" shall have the meaning given in Article 3.1;

"E Share" means an issued E ordinary share of £0.10 in the Company;

"E Shareholder" means a registered holder of any E Shares;

"Eligible Director" means a Director who would be entitled to vote on the matter at a meeting of directors (but excluding any Director whose vote is not to be counted in respect of the particular matter);

"Equity Shares" means the issued A Shares, B Shares, Preferred C Shares, C Shares, Preferred D Shares, D Shares, E Shares, F Shares, G Shares and H Shares at any time, and all shares derived from them (and any of them) whether by conversion, consolidation or sub division or by way of rights or bonus issue;

"Exit" means a Share Sale, Disposal or Listing;

"Exit Distribution" means on a Disposal, the maximum amount available for distribution to the Shareholders arising from the proceeds of such Disposal that the Company may, acting prudently, make;

"Exit Proceeds" means:

- (a) in the case of a Share Sale, the aggregate price or value of the consideration to be paid or received in Cash or Cash Equivalent for all the Equity Shares by the holders of Equity Shares; or
- (b) in the case of an Exit Distribution, the proceeds available for distribution to the Equity Shareholders as holders of equity, or
- (c) in the case of a Listing, the market value of the Listing Shares determined by reference to the price per share at which such shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the merchant bank or, if none, the broker appointed by the Board to advise in connection with the Listing;

and to the extent that such reductions have not already been taken into account in determining the value of the Equity Shares, after deducting any sums then outstanding to any bank or other funder and all fees and expenses approved by the Founder Shareholders incurred in connection with the Exit;

"F Share" means an issued F ordinary share of £0.10 in the Company;

"F Shareholder" means a registered holder of any F Shares;

"First Offer" has the meaning given in Article 12.2;

"First Offer Extra Shares" has the meaning given in Article 12.3;

"Founder A Shareholder" means the A Shareholders other than the Non-Founder A Shareholder or if there are no A Shareholders apart from the Non-Founder A Shareholder, it shall mean the A Shareholders;

"Founder B Shareholder" means the B Shareholders other than the Non-Founder B Shareholder or if there are no B Shareholders apart from the Non-Founder B Shareholder, it shall mean the B Shareholders;

"Founder Shareholder" means a Founder A Shareholder or a Founder B Shareholder;

"Founder Shareholder Consent" means the consent of the holders of a majority of the Shares held by the Founder Shareholders;

"Founder Shareholder Entity" means any company or other body corporate in whatever jurisdiction in which any of the Founder Shareholders holds or has a Controlling Interest;

"Founder Shareholder Proportionate Entitlement" has the meaning given in Article 12.3;

"FSMA" means the Financial Services and Markets Act 2000;

"G Share" means an issued G ordinary share of £0.10 in the Company;

"G Shareholder" means a registered holder of any G Shares;

"Good Leaver" means a Relevant Individual:

- (a) who ceases to be an employee and/or director of any Group Member as a result of:
 - (i) in the case of a Preferred C Shareholder or C Shareholder, death; in the case of a Preferred D Shareholder or D Shareholder, death 2 years or more after becoming a Shareholder and in the case of E, F, G and H Shareholders, death 10 years after becoming a Shareholder;
 - (ii) permanent incapacity due to ill-health (except where such ill-health arises as a result of an abuse of drink or drugs) the Prescribed Period or more after first becoming a Shareholder which, in the opinion of the Board is sufficiently serious to prevent him from carrying out his normal duties, where the Prescribed Period in the case of a C Shareholder is 1 week, in the case of a D Shareholder is 2 years and in the case of E, F, G and H Shareholders is 5 years;
 - (iii) in the case of a Preferred C Shareholder, C Shareholder, Preferred D Shareholder or D Shareholder, wrongful dismissal, unfair dismissal or resignation in circumstances where the Relevant Group Company did not have grounds to terminate his or her employment;
 - (iv) retirement in accordance with his contract of employment; or
- (b) whom the Board, with the consent of the Founder A Shareholder and the Founder B Shareholder (in their absolute discretion) may determine is a Good Leaver;

"Group" means the Company and its subsidiaries (as defined by section 1159 Companies Act) from time to time and references to a **"Member of the Group"** or a **"Group Member"** will be construed accordingly;

"H Share" means an issued H ordinary share of £0.10 in the Company;

"H Shareholder" means a registered holder of any H Shares;

"Lien Enforcement Notice" has the meaning given in Article 13.1;

"Listing" means:

- (a) the admission by the UK Listing Authority to listing, together with admission by the London Stock Exchange to trading, on the Official List of any of the issued Equity Share capital of the Company, and such admission becoming effective; or
- (b) the admission by the London Stock Exchange of any of the issued Equity Share capital of the Company to trading on AIM, and such admission becoming effective; or
- (c) any equivalent admission to any other Recognised Investment Exchange becoming unconditionally effective in relation to any of the issued Equity Share capital of the Company;

"Listing Shares" means the issued equity Share capital of the Company which is the subject of the Listing (excluding any Equity Share capital to be subscribed and issued on such Listing other than new Shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of Shares);

“Listing Value” means, in the event of a Listing, the market value of the Listing Shares determined by reference to the price per Share at which such Shares are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the financial advisers to the Company or, if none, the broker appointed by the Board to advise in connection with the Listing;

“Market Value” has the meaning given in Articles 8.4 and 10.5;

“Members Proportionate Entitlement” has the meaning given in Article 12.6;

“Model Articles” means the model articles for private companies limited by shares contained in Schedule 1 of the Companies (Model Articles) Regulations 2008 (S/2008/3229) as amended prior to the date of adoption of these Articles;

“Non-Founder A Shareholder” means an A Shareholder who was not a member of the Company on the date of adoption of these Articles;

“Non-Founder B Shareholder” means a B Shareholder who was not a member of the Company on the date of adoption of these Articles;

“Non-Founder Shareholder Debt” means the aggregate of all borrowings and other indebtedness or amounts in the nature of borrowings outstanding from time to time which are due or owing from the Company or any of its Subsidiaries to any of the Preferred C Shareholders or Preferred D Shareholders including without limitation under or in respect of any loan notes, term debt or other amount in the nature of lending but excluding any accrued but unpaid interest;

“Non-Founder Notional Interest” means an amount equal to a notional amount of interest that shall be deemed to have been accrued at the applicable Notional Interest Rate on the Non-Founder Schedule Debt that is owing to a Preferred C Shareholder or a Preferred D Shareholder from time to time. Non-Founder Notional Interest shall be deemed to have accrued on a daily basis (assuming a 365 day) year at the Notional Interest Rate on the relevant Non-Founder Shareholder Debt from the date of the Non-Founder Shareholder Debt was advanced or arose until the Exit or return of capital, as the case may be;

“Notional Interest Rate” the rate from time to time at which interest accrued due from the Company or any of its subsidiaries to the Senior Lender pursuant to the loan or facility agreement between the Company or any of its subsidiaries and the Senior Lender, provided that if it is not reasonably possible to determine the Notional Interest Rate on that basis, the Notional Interest Rate shall be 5% per annum above the base rate from time to time of National Westminster Bank plc;

“Notional Matched Interest” means an amount equal to a notional amount of interest that shall be deemed to have accrued at the applicable Notional Interest Rate on the Shareholder Debt outstanding from time to time. Notional Matched Interest shall be deemed to have accrued on a daily basis (assuming a 365 day year) at the Notional Interest Rate that applied on each day on the amount of the Shareholder Debt outstanding from time to time from the date the Shareholder Debt was advanced or arose until the Exit or return of capital (as the case may be) occurs;

“Official List” means the official list of the UK Listing Authority;

“Permitted Transfer” means a transfer of Shares that is permitted by the provisions of Article 8;

“Preferred C Shares” means issued Preferred C Ordinary Shares of £0.01 each in the Company;

“Preferred D Shares” means issued Preferred D Ordinary Shares of £0.01 each in the Company;

"Preferred C Shareholder" means a registered holder of any Preferred C Shares;

"Preferred D Shareholder" means a registered holder of any Preferred D Shares;

"Prescribed Period" means the period as described in sub-paragraph (a)(ii) of the definition of "Good Leaver";

"PRs" means the legal personal representatives of a Deceased Shareholder;

"Recognised Investment Exchange" shall have the meaning ascribed to it in section 285(1)(a) of the Financial Services and Markets Act 2000;

"Relevant Individual" means an employee or director of any Group Company who is a Non-Founder A Shareholder, a Non-Founder B Shareholder, a C Shareholder, a D Shareholder, an E Shareholder, an F Shareholder, a G Shareholder or a H Shareholder;

"Remaining Distributable Profits" shall have the meaning given in Article 3.1;

"Retained Profit" means the amount of the Company's retained profits available for distribution (forming part of Shareholders Funds) as at the date Shareholders Funds requires to be determined;

"Sale Notice" means a Compulsory Sale Notice or Standard Sale Notice (as the case may be);

"Sale Shares" means either the Shares which a Compulsory Seller is required to transfer or the Shares specified in a Standard Sale Notice (as applicable);

"Second Offer" has the meaning given in Article 12.5;

"Second Offer Extra Shares" has the meaning given in Article 12.6;

"Senior Lender" means such bank or financial institution who is the principal lender to or provider of loan facilities to the Company and its subsidiaries or if there is more than one bank or financial institution who may be regarded as the principal lender to or provider of loan facilities the Company and its subsidiaries, such bank or other financial institution who ranks first in priority amongst the creditors of the Company and its subsidiaries pursuant to any inter-creditor or subordination arrangements to which the Company and its subsidiaries may be party;

"Shareholder" means a registered holder of any Shares;

"Shareholder Agreement" any Shareholders Agreement between: (1) the Company; (2) the Founder Shareholders; and (3) the Preferred C Shareholders and Preferred D Shares and which is expressly stated therein to be a "Shareholder Agreement" for the purposes of these Articles.

"Shareholder Debt" means the aggregate of all borrowings and other indebtedness or amounts outstanding from time to time which are due or owing on any account whatsoever from the Company or any of its subsidiaries to any of the Founder Shareholders or any Founder Shareholder Entity including without limitation under or in respect of any loan notes, term debt or otherwise but excluding any accrued but unpaid interest;

"Shareholders Funds" means the consolidated balance sheet value of the Shareholders' interest in the Group being the consolidated share capital and reserves of the Group as at the date Shareholders Funds requires to be determined;

"Shares" means the A Shares, the B Shares, the Preferred C Shares the C Shares, the Preferred D Shares the D Shares, the E Shares, the F Shares, the G Shares and the H Shares and "Share" shall be construed accordingly;

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

"Standard Sale Notice" means a notice served by a Standard Seller pursuant to Article 8.2;

"Standard Seller" has the meaning given in Article 8.2;

"Subsequent Bad Leaver" a person who is otherwise a Good Leaver but who in accordance with the terms of the Shareholders Agreement becomes a Subsequent Bad Leaver and "Subsequent Bad" Leaver shall have the meaning given to it in the Shareholders Agreement;

"Transfer Price" has the meaning given in Article 12.1;

"UK Listing Authority" means the Financial Services Authority or its successors as the competent authority for listing in the United Kingdom under Part VI of the Financial Services and Markets Act 2000;

"Unsold Sale Shares" has the meaning given in Article 12.5;

"Upper Threshold Amount" means the sum of £1,000,000,000 (one billion pounds);

"Upper Trigger Point" is the point in time upon or following an Exit or a return of capital, at which the A Shareholders and the B Shareholders have in aggregate received the Upper Threshold Amount pursuant to Articles 3.2(a), 3.2(b) and 3.2(c).

- 1.2 Save as otherwise specifically provided in these Articles, words and expressions which have particular meanings in the Model Articles shall have the same meanings in these Articles, subject to which and unless the context otherwise requires, words and expressions which have particular meanings in the Act shall have the same meanings in these Articles.
- 1.3 Headings in these Articles are used for convenience only and shall not affect the construction or interpretation of these Articles.
- 1.4 A reference in these Articles to an **"Article"** is a reference to the relevant article of these Articles unless expressly provided otherwise.
- 1.5 Unless expressly provided otherwise, a reference to a statute, statutory provision or subordinate legislation is a reference to it as it is in force from time to time, taking account of:
 - 1.5.1 any subordinate legislation from time to time made under it; and
 - 1.5.2 any amendment or re-enactment and includes any statute, statutory provision or subordinate legislation which it amends or re-enacts.
- 1.6 Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.7 Unless it is specifically stated otherwise, any dispute as to value, or as to calculations or adjustments to be made, **"fair current value"**, Cash Equivalent or otherwise pursuant to these Articles, will (subject as follows) be referred immediately to the Auditors for final

determination. If the Auditors decline to act in respect of any such referral or if any Shareholder interested in the matter to be determined objects to the Auditors' appointment and the Board in its absolute discretion agrees that such Shareholder has reasonable grounds for objection, the matter will be determined by an independent firm of chartered accountants agreed for the purpose by the parties concerned or, in default of agreement within five Business Days after the Auditors have declined to act, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Auditors or independent accountants (as the case may be) will act as expert and not as arbitrator and their costs will be borne as directed by the Article in question or, if the Article is silent on the point, as directed by the Auditors/independent accountants. In the absence of any such direction, such costs will be borne equally between the parties concerned. The written certificate of the Auditors/independent accountants (as the case may be) will be conclusive and binding on the Company and the Shareholders (except in the case of fraud or manifest error).

- 1.8 The Model Articles shall apply to the Company, except in so far as they are modified or excluded by, or are inconsistent with, these Articles.
- 1.9 Articles 8, 9(1), 11(2) and (3), 13, 14(1), (2), (3) and (4), 17(2), 21 (1), 44(2), 49, 52 and 53 of the Model Articles shall not apply to the Company.
- 1.10 Article 7 of the Model Articles shall be amended by:
 - 1.10.1 the insertion of the words "for the time being" at the end of article 7(2)(a); and
 - 1.10.2 the insertion in article 7(2) of the words "(for so long as he remains the sole Director)" after the words "and the Director may".
- 1.11 Article 20 of the Model Articles shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".
- 1.12 In article 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1.13 Article 27(3) of the Model Articles shall be amended by the insertion of the words ", subject to article 17," after the word "But".
- 1.14 Article 29 of the Model Articles shall be amended by the insertion of the words ", or the name of any person(s) named as the transferee(s) in an instrument of transfer executed under article 28(2)," after the words "the transmittee's name".
- 1.15 Articles 31(1)(a) to (c) (inclusive) of the Model Articles shall be amended by the deletion, in each case, of the words "either" and "or as the directors may otherwise decide". Article 31(d) of the Model Articles shall be amended by the deletion of the words "either" and "or by such other means as the directors decide"

2 SHARE RIGHTS

The rights and restrictions attaching to the A Shares, the B Shares, the Preferred C Shares, the C Shares, the Preferred D Shares, the D Shares, the E Shares, the F Shares, the G Shares and the H Shares are set out in full in these Articles.

3 SHARE RIGHTS – INCOME AND CAPITAL

- 3.1 For the purposes of this Article 3:
 - 3.1.1 **"Distributable Profits"** means the profits which the Company may determine to distribute in respect of any financial period; and
 - 3.1.2 **"Remaining Distributable Profits"** means the Distributable Profits remaining to be distributed (in respect of any financial period) after any distributions in respect of the financial period made to the Preferred C Shareholders and/or Preferred D Shareholders pursuant to articles 3.3.1 and 3.3.2.

- 3.2 The Founder A Shareholder and the Founder B Shareholder together may from time to time determine what percentage the Determined C Share Percentage and separately what percentage the Determined D Share Percentage should be provided always that the Determined C Share Percentage may not be more than 5% and the Determined D Share Percentage may not be more than 3%. Any determination made by the Founder A Shareholder and the Founder B Shareholder pursuant to this Article 3.2 may be made subject to such conditions and on the basis that it applies for one particular distribution or is to be in force for a specified period of time as the Founder A Shareholder and Founder B Shareholder may determine.
- 3.3 The Distributable Profits (which the Company may determine to distribute in respect of any financial period) shall be applied:
- 3.3.1 as to the Determined C Share Percentage of the Distributable Profits, to and amongst the Preferred C Shareholders and as between them, in proportion to the number of Preferred C Shares held by each of them respectively;
 - 3.3.2 as to the Determined D Share Percentage of the Distributable Profits, to and amongst the Preferred D Shareholders and as between them, in proportion to the number of Preferred D Shares held by each of them respectively;
 - 3.3.3 as to 12.5% of the Remaining Distributable Profits to and amongst the B Shareholders and as between them in proportion to the amounts paid up on the B Shares (excluding any premium) held by each of them respectively;
 - 3.3.4 as to 87.5% of the Remaining Distributable Profits to and amongst the A Shareholders and as between them in proportion to the amounts paid up on the A Shares (excluding any premium) held by each of them respectively;
 - 3.3.5 the C Shares shall not entitle the holders thereof to any dividend or otherwise participate in the Distributable Profits of the Company;
 - 3.3.6 the D Shares shall not entitle the D Shareholders to any dividend or otherwise participate in the Distributable Profits of the Company;
 - 3.3.7 the E Shares shall not entitle the E Shareholders to any dividend or otherwise participate in the Distributable Profits of the Company;
 - 3.3.8 the F Shares shall not entitle the F Shareholders to any dividend or otherwise participate in the Distributable Profits of the Company;
 - 3.3.9 the G Shares shall not entitle the G Shareholders to any dividend or otherwise participate in the Distributable Profits of the Company; and
 - 3.3.10 the H Shares shall not entitle the H Shareholders to any dividend or otherwise participate in the Distributable Profits of the Company.
- 3.4 On an Exit and on a return of capital of the Company but not on a redemption of Shares or the purchase by the Company of its own Shares), the assets of the Company remaining after the payment of its liabilities shall be applied (to the extent that the Company is lawfully able to do so) or the Exit Proceeds shall be divided (as appropriate) in the following order of priority:
- 3.4.1 First, in paying to the holders of the A Shares, B Shares the relevant percentage of the Notional Matched Interest as at the date of the return of capital on Exit in accordance with the following table:

Class of Shareholder	Relevant percentage of Notional Matched Interest
A Shares	90%
B Shares	10%

3.4.2 Second, in paying to each of the holders of Preferred C Shares and to each of the holders of Preferred D Shares an amount equal to the Non-Founder Shareholder Notional Interest that it is deemed to have accrued on the Non-Founder Shareholder Debt owing from time to time to each such holder respectively.

3.4.3 Third, in paying to the holders of the A Shares, B Shares, Preferred C Shares and Preferred D Shares respectively a sum equal to the relevant percentage of the Retained Profit as at the date of the return of capital or Exit in accordance with the following table:

Class of Shareholder	Relevant percentage of Retained Profit
A Shares	80.5%
B Shares	11.5%
Preferred C Shares	5%
Preferred D Shares	3%

3.4.4 Fourth, in paying to the holders of the A Shares, B Shares, Preferred C Shares and Preferred D Shares respectively a sum equal to the relevant percentage of the aggregate of Shareholder's Funds and Base Amount less Retained Profit as at the date of the return of capital or Exit in accordance with the following table:-

Class of Shareholder	Relevant percentage of Shareholders' Funds
A Shares	82.8%
B Shares	9.2%
Preferred C Shares	5%
Preferred D Shares	3%

3.4.5 Fifth, until the assets available for distribution or the Exit Proceeds (as the case may be) reach the Upper Trigger Point, in paying:

- (a) the holders of the Preferred C Shares, C Shares, the Preferred D Shares, D Shares, the E Shares, the F Shares and the G Shares in respect of the assets available for distribution or the Exit Proceeds as the case may be, their respective proportionate entitlement of the excess value of the assets

available for distribution or the Exit Proceeds above the aggregate of Base Amount and Shareholders Funds as at the date of the return of capital or Exit as set out in the table contained in Article 3.5;

- (b) the remaining entitlement of the excess value of the assets (if any) available for distribution or the Exit Proceeds as the case may be above the Base Amount and Shareholders Funds to the holders of the A Shares and the B Shares in respect of each A Share and B Share (pari passu as if the same were one class of Share) as set out in the table contained in Article 3.5; and

3.4.6 finally, if the Upper Trigger Point has been reached, in paying the remaining amount of the excess value, if any, above the Upper Threshold Amount:

- (a) as to 2% of the remaining amount of such excess value, to and amongst the holders of the H Shares; and
- (b) as to 98% of the remaining amount of such excess value, to and amongst the holders of the A Shares and the B Shares (pari passu as if the same were one class of Share).

3.5 The table referred to in Article 3.4(d) is as follows:

Excess value above the aggregate of Base Amount and Shareholders Funds	Preferred C Share entitlement %	C Share entitlement %	Preferred D Share entitlement %	D Share entitlement %	E Share entitlement %	F Share entitlement %	G Share entitlement %	H Share entitlement %	A Share and B Share aggregate entitlement (subject to Article 3.4) %
Up to £10,000,000	2.25	2.75	2.00	1.00	0.50	0.50	0.25	0.00	90.75
More than £10,000,000 but not more than £20,000,000	2.25	2.75	2.00	1.00	0.50	0.50	0.25	0.00	90.75
More than £20,000,000 but not more than £30,000,000	2.25	2.75	2.00	1.00	0.50	0.50	0.25	0.00	90.75
More than £30,000,000 but not more than £40,000,000	2.25	2.75	2.00	1.00	0.50	0.50	0.25	0.00	90.75
More than £40,000,000 but not more than £50,000,000	2.00	3.00	1.70	1.30	0.50	0.50	0.25	0.00	90.8
More than £50,000,000 but not more than £60,000,000	2.00	3.00	1.70	1.30	0.50	0.50	0.25	0.00	90.8

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More than £60,000,000 but not more than £70,000,000	1.5	3.5	1.50	1.50	0.75	0.50	0.25	0.00	90.5
More than £70,000,000 but not more than £80,000,000	1.5	3.5	1.50	1.50	0.75	0.50	0.25	0.00	90.5
More than £80,000,000 but not more than £90,000,000	1.00	4.00	1.50	1.50	0.75	0.50	0.25	0.00	90.5
More than £90,000,000	1.00	4.00	1.50	1.50	0.75	0.50	0.25	0.00	90.5

3.6 Nothing in this Article 3 shall be deemed to constitute an order of priority of payment amongst the A Shareholders and the B Shareholders and the A Shareholders and B Shareholders so entitled to a distribution in accordance with this Article 3 shall rank for payment at the same time.

3.7 In the event that there are no holders of any shares of any class referred to in Article 3.4 the table in Articles 3.5 , any amount that would otherwise be due to the holders of that class of shares in accordance with this Article 3 shall instead be due to and be added to the amount payable to the A Shareholders and the B Shareholders as if the same constituted one class of share.

3.8 The Founder A Shareholder and Founder B Shareholder may, at their discretion, amend the Base Amount as they in their sole discretion consider appropriate from time to time.

4 EXIT PROVISIONS

4.1 On a Share Sale the Exit Proceeds shall be distributed in the order of priority set out in Article 3.4 as if completion of the Share Sale was a return of capital and the Exit Proceeds represented the assets of the Company remaining after the payment of liabilities. The directors shall not register any transfer of Shares if the Exit Proceeds on the Share Sale is not distributed in that manner provided that, if the Exit Proceeds are not settled in their entirety upon completion of the Share Sale:

4.1.1 the directors may register the transfer of the relevant Shares, provided that the Exit Proceeds due on the date of completion of the Share Sale have been distributed in the order of priority set out in Article 3.4; and

4.1.2 each Shareholder shall take any reasonable action (to the extent lawful) required by the Founder A Shareholder and the Founder B Shareholder to ensure that the balance of the Exit Proceeds are distributed in the order of priority set out in Article 3.4.

4.2 Similarly, on a Disposal, the Exit Proceeds shall be distributed (to the extent that the Company is lawfully permitted to do so) in the order of priority set out in Article 3.4, provided always that if it is not lawful for the Company to distribute its surplus assets in accordance

with the provisions of these Articles, each Shareholder shall (to the extent lawful) take any reasonable action required by the Founder A Shareholder and the Founder B Shareholder.

- 4.3 In the event of an Exit approved by the directors (acting with Founder A Shareholder and Founder B Shareholder consent) ("**Proposed Exit**"), all Shareholders shall consent to, vote for, raise no objections to and waive any applicable rights in connection with the Proposed Exit. The Shareholders shall be required to take all lawful actions with respect to the Proposed Exit as are reasonably required by the directors to facilitate the Proposed Exit. If any Shareholder fails to comply with the provisions of this Article 4.3:
- 4.3.1 the Company shall be constituted the agent and attorney of each defaulting Shareholder for taking such actions as are necessary to effect the Proposed Exit;
 - 4.3.2 the directors may authorise an officer of the Company or a Shareholder to execute and deliver on behalf of such defaulting Shareholder all or any necessary documents; and
 - 4.3.3 the Company may receive any purchase money due to the defaulting Shareholder in trust for each of the defaulting Shareholders (without any obligation to pay interest).
- 4.4 Immediately prior to and conditionally upon a Listing the Shareholder shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as the A Shareholder Majority may reasonably specify, to ensure that the Listing Value is allocated between the Members in the same proportions as the preceding provisions of this Article 3 would provide on any other Exit at that Listing Value.

5 VARIATION OF CLASS RIGHTS

- 5.1 The rights attached to the A Shares, the B Shares, the Preferred C Shares the C Shares, the Preferred D Shares the D Shares, the E Shares, the F Shares, the G Shares and the H Shares in each case, may be altered or abrogated (whether or not the Company is being wound up) only with the prior consent of the holders of that class given in accordance with Article 5.2.
- 5.2 The consent of the holders of a class of Shares for the purposes of these Articles may be given by:
- 5.2.1 a special resolution passed at a separate general meeting of the holders of that class; or
 - 5.2.2 a written resolution in any form signed by or on behalf of the holders of not less than 75 percent in nominal value of the issued Shares of that class.
- 5.3 Without prejudice to the generality of their rights, the A Shares and the B Shares shall each be deemed to be varied at any time by any of the following occurring without class consent:
- 5.3.1 an increase, reduction or other alteration in the issued share capital of the Company or a variation in the rights attaching to any class thereof;
 - 5.3.2 the grant of an option to subscribe for shares in the Company or the issue of any securities or instruments convertible into any such shares;
 - 5.3.3 the creation by the Company of any mortgage, charge, pledge, lien, encumbrance or other security interest (excluding an interest arising by operation of law in the ordinary course of business or retention of title in the ordinary course of trading);
 - 5.3.4 the making of any material change (including cessation) in the nature of the business of the Company;
 - 5.3.5 the alteration of articles of association of the Company;

- 5.3.6 the declaration or payment of any dividend or the making of any other distribution in respect of the profits, assets or reserves of the Company save for any required to be declared or paid under Article 3;
- 5.3.7 the institution of any proceedings for, or the passing of any resolution for or in preparation for the winding up or administration of or the appointment of an administrator for the Company;
- 5.3.8 the Company incurring an obligation to do any of the foregoing; and
- 5.3.9 the registration or purported registration of any transfer of any Share or interest therein other than as expressly permitted by these Articles.

6 ISSUE AND ALLOTMENT OF NEW SHARES

- 6.1 The Company may issue a Share for less than the aggregate of its nominal value and any premium to be paid to the Company in consideration for its reissue and the provisions of Article 29.1(a) shall apply in relation to any Share so issued. Subject to Article 6.8 Shares which are nil or partly paid shall still participate in the profits of the Company that are available for distribution in accordance with Article 6.8.
- 6.2 Subject always to Article 6.8 below, unless the Company by special resolution and with the approval of the Founder Shareholders directs otherwise (which resolution may, without limitation and notwithstanding any other provision of these Articles, exclude one or more holders of any Shares (of any class) from any offer made under this Article), any new Shares will be offered by the Directors for subscription to the holders of the Shares in such proportions as equal (as nearly as possible) the proportion of Shares held by them respectively at that time. For the purpose of this Article, the Shares will be treated as one class of Share (subject always to Article 6.7).
- 6.3 The offer will be made by notice specifying the number and class of Shares offered, the price per Share, and a time (being not less than 14 days) within which the offer, if not accepted, will be deemed to be declined. At the end of that period or, if earlier, on the receipt of an indication from the person(s) to whom such notice is given that he/they decline(s) to accept some or all of the Shares so offered, the Directors will offer the declined Shares in the same proportions to the holders of Shares who have accepted all the Shares initially offered to them. This further offer will be made in the same manner as the original offer but may, at the discretion of the Directors, be limited to a period of seven days after which it will (to the extent that any Shares remain unaccepted) be deemed to have been withdrawn.
- 6.4 Any Shares not taken up at the end of the procedure set out in Articles 6.1 and 6.3 may be offered by the Directors to a third party (to be approved by the Founder Shareholders), and, subject thereto and to these Articles, the provisions of sections 549 and 551 of the Companies Act, such Shares will be at the disposal of the Directors who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms as they think fit. However:
 - 6.4.1 no Shares will be issued more than three months after the end of the period for acceptance of the last offer of such Shares under Articles 6.1 and 6.3 unless the procedure set out in those Articles is repeated in respect of such Shares; and
 - 6.4.2 no Shares will be issued on terms which are more favourable than those on which they were offered to the Shareholders.
- 6.5 In accordance with section 567(1) of the Companies Act, sections 561(1) and 562 of the Companies Act will not apply to the Company, where the consent to that allotment of every Shareholder has been obtained as required by these Articles (including Article 6.8) and that allotment otherwise conforms to the requirements of these Articles.
- 6.6 If, due to any inequality between the number of new Shares to be issued and the number of Shares held by Shareholders entitled to have the offer of new Shares made to them, the apportionment of any such new Shares amongst the Shareholders results in any Shareholder

being entitled to a fraction of a new Share, the apportionment of such new Shares will be determined by the Board as nearly as possible to the Shareholder's entitlements without the requirement for the issue of fractions of Shares *pro rata*.

- 6.7 Any Shares allotted hereunder to any holder of A Shares, B Shares, Preferred C Shares, C Shares, Preferred D Shares D Shares, E Shares, F Shares, G Shares or H Shares by virtue of them holding that class of Share shall upon such allotment become A Shares, B Shares, C Shares, D Shares, E Shares, F Shares, G Shares or H Shares respectively (as the case may be) to rank *pari passu* with the existing A Shares, B Shares, Preferred C Shares, C Shares, Preferred D Shares D Shares, E Shares, F Shares, G Shares or H Shares and *pro rata* to the A Shares, B Shares, Preferred C Shares, C Shares, Preferred D Shares, D Shares, E Shares, F Shares, G Shares or H Shares held by that Shareholder.
- 6.8 No new Shares shall be allotted by the Company without the prior written consent of both the Founder A Shareholder and the Founder B Shareholder.

7 TRANSFERS OF SHARES - PROHIBITED TRANSFERS

General Prohibitions

- 7.1 The Directors will not register any transfer of Shares to any of the following:
- 7.1.1 any person who, in the reasonable opinion of the Board is carrying on business directly or indirectly in competition with the Company or any member of the Group, except this restriction will not apply to:
- (a) any transfer of Shares pursuant to Articles 13 or 14 (Tag Along or Drag Along Rights); or
 - (b) any transfer of shares to a Shareholder who is a Founder A Shareholder or a B Shareholder; or
 - (c) any person who does not have legal capacity to transfer such Shares or otherwise to comply fully with the provisions of these Articles.
- 7.2 Each Non-Founder A Shareholder and/or Non-Founder B Shareholder and/or Preferred C Shareholder and Preferred D Shareholder and/or C Shareholder and/or D Shareholder and/or E Shareholder and/or F Shareholder and/or G Shareholder and/or H Shareholder shall be prohibited from transferring any of the Shares held by him unless it is a Permitted Transfer, pursuant to Article 8 or he first obtains the written consent of the Founder A Shareholder and the Founder B Shareholder to such transfer except where a Compulsory Sale Notice is deemed to have been given pursuant to Article 10 in which case the provisions of Article 10 shall apply.

Prohibition unless in accordance with those articles

- 7.3 Without prejudice to Articles 7.1 and 7.2, the Directors will not register a transfer of Shares unless the transfer is permitted by Article 8 (Permitted Transfers).
- 7.4 For the purpose of ensuring that:
- 7.4.1 a transfer of shares is permitted under these Articles;
- 7.4.2 no circumstances have arisen whereby a Compulsory Sale Notice is required to be or ought to have been given or Shares are required to be transferred pursuant to Articles 8.6 and/or 8.7; or
- 7.4.3 no circumstances have arisen whereby the tag along provisions are required to be or ought to have been triggered pursuant to Article 13 (Tag Along Rights),

the Board may require any Shareholder to procure in so far as he is reasonably able that any person whom the Board reasonably believes to have information relevant to such purpose

provides the Company with such information and evidence as the Board think fit. Pending the provision of such information the Board will be entitled to refuse to register any relevant transfer.

- 7.5 Where any Shares are the subject of a Compulsory Sale Notice, no transfer of any such Shares shall be permitted pursuant to Article 8.

8 PERMITTED TRANSFERS

- 8.1 Subject to Article 7, and to Article 8.6, any Share may be transferred:

- 8.1.1 when required by, and in accordance with, Article 10 (Compulsory Transfers); or
- 8.1.2 to a Buyer in acceptance of an Approved Offer pursuant to Article 13 (Tag Along Rights) or Article 14 (Drag Along Rights); or
- 8.1.3 in the case of Shares held by an undertaking, subject to Article 8.6, to a group undertaking of the transferor; or
- 8.1.4 in the case of any transfer of any Shares which has previously been approved in writing by the Founder A Shareholders and the Founder B Shareholders.

- 8.2 Any Shareholder who wishes to transfer any Shares in accordance with Article 12 (the "**Standard Seller**") shall, before transferring or agreeing to transfer such Shares, serve notice in writing (a "**Standard Sale Notice**") on the Company specifying:

- 8.2.1 the number of Shares which he wishes to transfer;
- 8.2.2 the identity of the person (if any) to whom the Standard Seller wishes to transfer the Sale Shares;
- 8.2.3 the price per Sale Share at which the Standard Seller wishes to transfer the Sale Shares; and
- 8.2.4 any other terms relating to the transfer of the Sale Shares.

- 8.3 The Sale Shares shall be offered for purchase in accordance with Article 12 at a price per Sale Share representing the Market Value to be agreed or determined in accordance with Articles 1.7 and 8.4.

- 8.4 "**Market Value**" for the purposes of Articles 8.2 and 8.3 will be:

- 8.4.1 the price agreed between the Standard Seller(s) and the proposed transferee specified in the Standard Sale Notice as approved in writing by the Founder A Shareholder and the Founder B Shareholder; or
- 8.4.2 if the Standard Seller(s) and the proposed transferee specified in the Standard Sale Notice fail to agree a price or the Founder A Shareholder and/or the Founder B Shareholder fails to give written approval within 15 Business Days of the date of the Standard Sale Notice, or otherwise in accordance with any different timetable determined by the Founder A Shareholder and the Founder B Shareholder and the Standard Seller(s), the price determined by the Auditors (or independent accountant) to be the Market Value of such Shares on the date of the Standard Sale Notice, according to the principles set out in Article 11.

- 8.5 Further transfers by group members, etc

- 8.6 Where Shares have been transferred under Article 8.1.3 (transfers to group undertakings) and the transferee ceases to be a group undertaking of the transferor, it will, on or before such cessation, transfer such Shares to the original transferor or to another group undertaking of the original transferor.

- 8.7 If a Shareholder fails or refuses to execute and deliver any transfer in respect of any Shares pursuant to its obligations under Article 8.6, the Board may authorise any Director to execute and deliver the necessary transfer(s) on the defaulting Shareholder's behalf. The Board will authorise registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as registered holder of such Shares will not be affected by any irregularity in or invalidity of such proceedings, which will not be questioned by any person.

9 TRANSFER OF SHARES BY WAY OF SECURITY

- 9.1 The Directors shall not decline to register any transfer of Shares, nor may they suspend registration thereof, where such transfer:-

- 9.1.1 is to any bank, institution or other person to which such shares have been charged by way of security, or to any nominee of such a bank, institution or other person (or a person acting as agent or security trustee for such person) (a "**Secured Institution**"); or
- 9.1.2 is delivered to the Company for registration by a Secured Institution or its nominee in order to perfect its security over the Shares; or
- 9.1.3 is executed by a Secured Institution or its nominee pursuant to a power of sale or other power existing under such security,

and the Directors shall forthwith register any such transfer of Shares upon receipt and furthermore notwithstanding anything to the contrary contained in these Articles no transferor of any Shares in the Company or proposed transferor of such Shares to a Secured Institution or its nominee and no Secured Institution or its nominee shall (in either such case) be required to offer the Shares which are or are to be the subject of any transfer as aforesaid to the Shareholders for the time being of the Company or any of them and no such Shareholder shall have any right under the Articles or otherwise howsoever to require such Shares to be transferred to them whether for any valuable consideration or otherwise.

10 COMPULSORY TRANSFERS

Circumstances which trigger compulsory transfer

- 10.1 This Article 10 applies:

- 10.1.1 in relation to Relevant Individuals; and
- 10.1.2 in relation to a Deceased Shareholder.

Compulsory Pre-emption Procedure

- 10.2 Within 24 months after the Cessation Date relating to a Relevant Individual or within 24 months of the death of a Deceased Shareholder the Board may (with Founder Shareholder Consent) and shall if the Founder Shareholders so direct, serve notice ("**Compulsory Sale Notice**") on the Relevant Individual (or, his or her PR's or executors) or the estate executors or PR's of a Deceased Shareholder and/or any other person who may become entitled to any Shares on the death of a Deceased Shareholder (each a "**Compulsory Seller**" and together "**Compulsory Sellers**") requiring each such person to offer for sale all of the Shares (of whatever class) registered in his or their name(s) or to which he is or they are or may become entitled whether as a result of his or their holding of Shares, the death of the Deceased Shareholder or otherwise.
- 10.3 The Shares which are the subject of the Compulsory Sale Notice will be offered for sale (other than to any Compulsory Seller or to any Shareholder in respect of whose Shares a Compulsory Sale Notice has previously arisen but who still holds Shares following the exhaustion of the pre-emption rights contained in Article 12 in relation to such Compulsory Sale Notice) in accordance with the provisions of Article 12.

Sale Price - Good Leaver/Bad Leaver

10.4 The Transfer Price for the Sale Shares will be:

- 10.4.1 if the Relevant Individual is a Bad Leaver or a Subsequent Bad Leaver or a Subsequent Bad Leaver, the lower of:
- (a) the nominal value of the Sale Shares (or, where any of the Sale Shares were acquired by a Compulsory Seller by way of transfer rather than allotment, the lower of the nominal value thereof and the amount paid by such Compulsory Seller for such Shares); and
 - (b) the Market Value of the Sale Shares on the Cessation Date to be agreed or determined in accordance with Articles 1.7 and 8.4; or
- 10.4.2 if the Relevant Individual is a Good Leaver, the price will be the Market Value of the Sale Shares on the Cessation Date, to be agreed or determined as aforesaid; or
- 10.4.3 in the case of the Shares of a Deceased Shareholder, the Market Value of the Sale Shares on the date of death.

10.5 **"Market Value"** for the purposes of Article10 will be:

- 10.5.1 the price agreed between the Compulsory Seller(s) and the Founder A Shareholder and Founder B Shareholder; or
- 10.5.2 if they fail to agree a price within 15 Business Days of the Cessation Date or date of death (as the case may be), or otherwise in accordance with any different timetable determined by the Founder A Shareholder and Founder B Shareholder, the price determined by the Auditors (or independent accountant) to be the Market Value of such Shares on the Cessation Date, according to the principles set out in Article11.

Suspension of voting rights

- 10.6 Unless the Founder A Shareholder and Founder B Shareholder direct otherwise in writing, any Shares held by a Compulsory Seller on the Cessation Date (and any Shares issued to a Compulsory Seller after such date by virtue of the exercise of any right or option granted or arising by virtue of his holding of the Sale Shares) will, subject to Article10.7, cease to confer the right to be entitled to vote at any general meeting of the Company, or any meeting of the holders of any class of Shares, or to participate in the giving (or refraining from giving) of the consent of any class of Shareholder with effect from the Cessation Date (or, where appropriate, the date of issue of such Shares, if later), and such Shares will not be counted in determining the total number of votes which may be cast at any such meeting, or for the purposes of a written resolution of any Shareholder or class of Shareholder. That right will be restored immediately upon the Company registering a transfer of the Sale Shares in accordance with this Article10.
- 10.7 Any Shares which have been disenfranchised pursuant to Article 10.6 will have their right to vote at any general meeting of the Company or any meeting of the holders of any class of Share restored if, following the exhaustion of the pre-emption procedure set out in Article12, the relevant Shares have been retained by the Compulsory Seller pursuant to Article12.10.

Transmission of Shares

- 10.8 Model Articles 27 to 29 shall take effect subject to Article10.2.

11 VALUATION

Determination of "Market Value"

If the Auditors (or, by virtue of Article1.7, independent accountants) are required to determine Market Value pursuant to Article10, the provisions set out below will apply.

- 11.1 Market Value will be determined by the Auditors or, as the case may be, independent accountants, first valuing the Company as a whole:
- 11.1.1 assuming, if the Company is then carrying on business as a going concern, that it will continue to do so;
 - 11.1.2 assuming that the entire issued share capital of the Company is being sold as between a willing buyer and a willing seller by arm's-length private treaty for cash payable in full on completion;
 - 11.1.3 taking account of any Shares which may be allotted pursuant to options which have been issued by the Company and which are still outstanding;
 - 11.1.4 taking account of any bona fide offer for the Company received from an unconnected third party within six months prior to the Sale Notice being served;
 - 11.1.5 taking account of any arrears, accruals or deficiencies of dividend on Shares;
 - 11.1.6 in the case of E Shares, F Shares, G Shares or H Shares only taking full account of whether the Shares concerned represent a majority or a minority interest and taking full account of the restriction as to the transferability of the Shares in these Articles;
 - 11.1.7 in the case of A Shares, B Shares, Preferred C Shares, C Shares or Preferred D Shares, D Shares only disregarding whether the Shares constitute a majority or minority interest and disregarding any restriction on transferability of the Shares in these Articles; and
 - 11.1.8 taking full account of any debt financing or loans which the Company may be subject to.

12 PRE-EMPTION

Transfer Price

- 12.1 The Sale Notice will constitute the Company as the agent of the Seller for the transfer of the Sale Shares in accordance with this Article 12 at the price determined in accordance with Articles 8.3 or 10.4 (as applicable) ("**Transfer Price**").

First Offer to Founder Shareholders

- 12.2 Within 10 Business Days after the service of a Sale Notice or, where later, on the determination of the Transfer Price, the Company (in its capacity as agent for the Seller) will give notice in writing to each of the Founder Shareholders (other than the Seller and any Shareholder in respect of whose Shares a Compulsory Sale Notice has previously arisen but who still holds Shares following the exhaustion of the pre-emption rights contained in this Article 12 in relation to such Compulsory Sale Notice) offering the Sale Shares for sale at the Transfer Price in accordance with Article 12.3 ("**First Offer**"). The notice will specify that the Founder Shareholders have a period of up to 20 Business Days from the date of such notice served within which to apply for some or all of the Sale Shares.

First Offer Pre-emption Procedure

- 12.3 The Sale Shares will first be offered to the Founder A Shareholder and the Founder B Shareholder in priority to all other Shareholders. If there is competition for the Sale Shares offered to the Founder A Shareholder and the Founder B Shareholder, such Sale Shares will be treated as offered amongst the Founder A Shareholder and the Founder B Shareholder in proportion (as nearly as possible) to their existing holdings of A Shares and B Shares ("**Founder Shareholder Proportionate Entitlement**"). However, the offer will also invite the Founder A Shareholder and the Founder B Shareholder to indicate in their applications for Sale Shares whether they would be willing to buy Shares in excess of their Founder Shareholder Proportionate Entitlement should any such Shares be available and, if so, how many ("**First Offer Extra Shares**").

First Offer Allocation of Shares

- 12.4 After the expiry of the offer period specified in Article 12.2, (or, if sooner, upon each Founder Shareholder having applied for the Sale Shares or confirmed that they do not wish to purchase any Sale Shares), the Board will allocate the Sale Shares as follows:
- 12.4.1 if the total number of Sale Shares applied for (including First Offer Extra Shares) is equal to or less than the available number of Sale Shares, each offeree will be allocated the number applied for in accordance with his application; or
 - 12.4.2 if the total number of Sale Shares applied for is greater than the available number of Sale Shares, each offeree will be allocated his Founder Shareholder Proportionate Entitlement, or, if less, the number of Sale Shares which he has applied for; and
 - 12.4.3 applications for First Offer Extra Shares will be allocated in accordance with such applications or, in the event of competition, among those applying for First Offer Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Equity Shares held by such offerees.

Second Offer to Shareholders

- 12.5 If, after the expiry of the offer period for the First Offer, all of the Sale Shares are not sold under the provisions contained in Articles 12.2 -12.4, the Company (in its capacity as agent for the Seller) will (forthwith upon the exhaustion of such provisions) give notice in writing to the Shareholders (other than the Seller and any Shareholder in respect of whose Shares a Compulsory Sale Notice has previously arisen but who still holds Shares following the exhaustion of the pre-emption rights contained in this Article 12 in relation to such Compulsory Sale Notice) offering any unsold Sale Shares (for the purpose of Articles 12.5 – 12.7, "**Unsold Sale Shares**") for sale at the Transfer Price in accordance with Article 12.6 ("**Second Offer**"). The notice will specify that the Shareholders have a period of up to 20 Business Days from the date of such notice within which to apply for some or all of the Unsold Sale Shares.

Second Offer Pre-emption Procedure

- 12.6 The Unsold Sale Shares will be offered to the Shareholders. If there is competition for the Unsold Sale Shares offered to the Shareholders, such Unsold Sale Shares will be treated as offered amongst the Shareholders in proportion (as nearly as possible) to their existing holdings of Equity Shares ("**Members Proportionate Entitlement**"). However, the offer will also invite the Shareholders to indicate in their applications for the Unsold Sale Shares whether they would be willing to buy Shares in excess of their Members Proportionate Entitlement should any such Shares be available and, if so, how many ("**Second Offer Extra Shares**").

Second Offer Allocation of Shares

- 12.7 After the expiry of the period specified in Article 12.5, (or, if sooner, upon each Shareholder having applied for the Unsold Sale Shares or confirmed that they do not wish to purchase any Unsold Sale Shares), the Board will allocate the Unsold Sale Shares as follows:
- 12.7.1 if the total number of Unsold Sale Shares applied for (including Second Offer Extra Shares) is equal to or less than the available number of Unsold Sale Shares, each offeree will be allocated the number applied for in accordance with his application; or
 - 12.7.2 if the total number of Unsold Sale Shares applied for is greater than the available number of Unsold Sale Shares, each offeree will be allocated his Members Proportionate Entitlement, or, if less, the number of Unsold Sale Shares which he has applied for; and
 - 12.7.3 applications for Second Offer Extra Shares will be allocated in accordance with such applications or, in the event of competition, among those applying for

Second Offer Extra Shares in such proportions as equal (as nearly as possible) the proportions of all the Equity Shares held by such offerees.

- 12.8 Allocations of Sale Shares made by the Company pursuant to this Article 12 will constitute the acceptance by the persons to whom they are allocated of the offer to sell those Sale Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Sale Shares which he has indicated to the Company he is willing to purchase.

Completion of sale and purchase of Sale Shares

- 12.9 The Company will immediately upon allocating any Sale Shares (pursuant to Article 12.4 or 12.7) give notice in writing ("**Allocation Notice**") to the Seller and to each person to whom Sale Shares have been allocated specifying:

- 12.9.1 the number of Sale Shares so allocated;
- 12.9.2 the aggregate price payable for them; and
- 12.9.3 the place and time (being not later than five Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares will be completed.

- 12.10 Completion of the sale and purchase of Sale Shares in accordance with the Allocation Notice will, subject to the provision below, take place at the place and time specified in the Allocation Notice when the Seller will, upon payment of the due price, transfer those Sale Shares specified in the Allocation Notice and deliver the relevant Share certificates to the persons to whom they have been allocated provided always that the Shareholders Agreement may provide for different provisions as to the method and timing of payment of the due price and these provisions shall take effect subject to the provisions of the Shareholders Agreement.

Default by the Compulsory Seller

- 12.11 Except in the case of an acquisition of Sale Shares by the Company, if the Compulsory Seller fails by the due completion date to execute and deliver transfers in respect of any of the Sale Shares which he is due to transfer, the Board may authorise any Director to:

- 12.11.1 execute the necessary transfer(s) on the Compulsory Seller's behalf; and
- 12.11.2 against receipt by the Company of the Transfer Price payable for the relevant Sale Shares (to be held on trust for the Compulsory Seller without interest) (the receipt being a good discharge to the offeree who will not be bound to see to the application of it), deliver such transfer(s) to the relevant offeree(s).

The Board will authorise registration of the transfer(s), and of the offeree(s) as the holder(s) of the Sale Shares so transferred, once appropriate stamp duty has been paid. After registration, the title of such offeree(s) as registered holder(s) of such Sale Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person.

- 12.12 In the case of an acquisition of Sale Shares by the Company, if the Compulsory Seller fails by the due completion date to transfer and/or to deliver the certificates (or a suitable indemnity) in respect of any Sale Shares, the Board may authorise any Director to execute, complete and deliver the necessary transfer and/or indemnity to the Company on the Compulsory Seller's behalf. When that instrument has been duly stamped, the Company will ensure that such share capital is cancelled in accordance with the Companies Act, and will hold the purchase monies on trust (without interest) for the Compulsory Seller.

Exhaustion of pre-emption rights - rights and restrictions with regard to sale to third party

- 12.13 Immediately after the exhaustion of any pre-emption process followed in accordance with these Articles, if any Sale Shares remain unallocated, the Company will notify the Seller of that fact in which event such Seller shall be entitled:

- 12.13.1 in the case of a Compulsory Seller, to retain such Sale Shares (subject always to the provisions of these Articles); or
- 12.13.2 in the case of a Standard Seller, to transfer such Sale Shares to the person specified in the Standard Sale Notice.

13 CHANGE OF CONTROL - TAG ALONG RIGHTS

- 13.1 No transfer of Shares which would result, if made and registered, in a person or persons acting in concert obtaining a Controlling Interest, will be made or registered unless, subject always to the proviso to this Article 13.1:

- 13.1.1 an Approved Offer is made by the proposed transferee(s) ("**Buyer**") or, at the Buyer's written request, by the Company as agent for the Buyer;

- 13.1.2 the Buyer complies in all respects with the terms of the Approved Offer at the time of completion of the sale and purchase of Shares pursuant to it,

provided always under this Article 13.113.1 an Approved Offer need not be made to any Non-Founder A Shareholder or Non-Founder B Shareholders.

For the purposes of Article 13.1:

- 13.2 "**Approved Offer**" means a bona fide arms length offer in writing served on all Shareholders holding Equity Shares (including the proposing transferor but subject to the proviso to Article 13.1), offering to purchase all the Shares held by such Shareholders (including any Shares which may be allotted pursuant to the exercise or conversion of options, rights to subscribe for or securities convertible into Shares in existence at the date of such offer) which:

- 13.2.1 is stipulated to be open for acceptance for at least 15 Business Days;

- 13.2.2 offers the same or equivalent consideration for each Equity Share (whether in cash, securities or otherwise in any combination) as that Equity Share would attract pursuant to Articles 3 and 4 of these Articles of Association on the basis that the Approved Offer was made in connection with a Share Sale and the price payable for all Equity Shares (of whatever class) was the Exit Proceeds on such Share Sale;

- 13.2.3 includes an undertaking by or on behalf of the Buyer that no other consideration, (whether in cash or otherwise) is to be received or receivable by any Shareholder which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by such Shareholder, and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms or has agreed more favourable terms with any other Shareholder for the purchase of Equity Shares;

- 13.2.4 is on terms that the sale and purchase of Shares in respect of which the offer is accepted will be completed at the same time; and

- 13.2.5 is approved by the holders of a majority in nominal value of the A Shares and by the holders of a majority in nominal value of the B Shares.

14 CHANGE OF CONTROL - DRAG ALONG RIGHTS

- 14.1 Whenever an Approved Offer is made, the Founder A Shareholder (here meaning the holder of a majority in nominal value of the A Shares held by the Founder A Shareholder) shall have the right ("**Drag Along Right**") to require (in the manner set out in Article 14.2) all of the other holders of Shares ("**Other Shareholders**") to accept the Approved Offer in full.

- 14.2 The Drag Along Right may be exercised by the service of notice to that effect on the Other Shareholders at the same time as, or within five Business Days following the making of the Approved Offer.
- 14.3 On the exercise of the Drag Along Right, each of the Other Shareholders will be bound to accept the Approved Offer in respect of its entire holding of Shares and to comply with the obligations assumed by virtue of such acceptance.
- 14.4 If any of the Other Shareholders fails to accept the Approved Offer or, having accepted such offer, fails to complete the sale of any of its Shares pursuant to the Approved Offer, or otherwise fails to take any action required of it under the terms of the Approved Offer, the Founder A Shareholder or any persons so authorised by the Board may accept the offer on behalf of the Other Shareholder in question, or undertake any action required under the terms of the Approved Offer on the part of the Other Shareholder in question. In particular, such person may execute the necessary transfer(s) on that Other Shareholder's behalf; and against:
- 14.4.1 receipt by the Company (on trust for such Other Shareholder) of the consideration payable for the relevant Shares (the receipt being a good discharge to the Buyer, who will not be bound to see to the application of it); and
- 14.4.2 compliance by the Buyer and, where relevant, the Company with all other terms of the Approved Offer,

deliver such transfer(s) to the Buyer (or its nominee). The Board will then authorise registration of the transfer(s) and of the Buyer (or its nominee) as the holder of the Shares so transferred. After registration, the title of the Buyer (or its nominee) as registered holder of such Shares will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Other Shareholder will in such a case be bound to deliver up its certificate for its Shares to the Company, or a statutory declaration of loss (as appropriate) whereupon the Other Shareholder will be entitled to receive the purchase price for such Shares.

Directors

15 PROCEEDINGS OF DIRECTORS

- 15.1 A decision of the directors is taken in accordance with this Article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- 15.2 Such a decision may take the form of a resolution in writing, where each eligible Director has signed one or more copies of it, or to which each eligible Director has otherwise indicated agreement in writing.
- 15.3 A decision may not be taken in accordance with this Article if the eligible directors would not have formed a quorum at such a meeting.
- 15.4 Model Articles 5(1) to (3) (inclusive) and 6(2) shall be modified by the insertion of the words "(acting with the consent of an A Director and a B Director)" following each reference to "the directors" in such Model Articles.
- 15.5 Any Director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- 15.6 Subject to Article 15.7, the quorum for the transaction of business at a meeting of directors is two, one of which must be an A Director or a B Director for the time being, unless:
- 15.6.1 such A Director(s) or B Director(s) (as the case may be) have, in respect of any particular meeting (or part of a meeting), otherwise agreed in writing ahead of such meeting; or
- 15.6.2 such A Director(s) or B Director(s) (as the case may be) are not, in respect of any particular meeting (or part of a meeting), eligible directors,

in which case, subject to Article 15.7, the quorum for such meeting (or part of the meeting, as the case may be) shall be any two eligible directors. If the necessary quorum is not present within 30 minutes from the time appointed for the meeting, or if, during a meeting, such quorum ceases to be present, the meeting shall stand adjourned to such time and place as the chairman determines.

- 15.7 For the purposes of any meeting (or part of a meeting) held pursuant to Article 17 to authorise a Director's conflict, if there is only one eligible Director in office other than the conflicted Director(s), the quorum for such meeting (or part of a meeting) shall be one eligible Director.
- 15.8 If the total number of directors in office for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- 15.8.1 to appoint further directors; or
 - 15.8.2 to call a general meeting so as to enable the Shareholders to appoint further directors.
- 15.9 The directors may, with the consent of an A Director and a B Director, appoint any person as chairman of the board of directors and may, with the consent of an A Director and a B Director, remove and replace any such chairman. If there is no chairman in office for the time being, or the chairman is unable to attend any meeting of the directors, the directors present at the meeting must appoint another Director present at the meeting to chair the meeting and the appointment of the chairman of the meeting must be the first business of the meeting.
- 15.10 If the numbers of votes for and against a proposal at a meeting of directors are equal, the chairman or other Director chairing the meeting has a casting vote.

16 TRANSACTIONS OR OTHER ARRANGEMENTS WITH THE COMPANY

- 16.1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the Company:
- 16.1.1 may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise (directly or indirectly) interested;
 - 16.1.2 shall be an eligible Director for the purposes of any proposed decision of the directors (or committee of directors) in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 16.1.3 shall be entitled to vote at a meeting of directors (or of a committee of the directors) or participate in any unanimous decision, in respect of such existing or proposed transaction or arrangement in which he is interested;
 - 16.1.4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director;
 - 16.1.5 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested; and
 - 16.1.6 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him (as defined in section 252 of the Act)) derives from any such transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act.

17 DIRECTORS' CONFLICTS OF INTEREST

- 17.1 The directors may, in accordance with the requirements set out in this Article, authorise any matter or situation proposed to them by any Director which would, if not authorised, involve a Director (an **"Interested Director"**) breaching his duty under section 175 of the Act to avoid conflicts of interest (**"Conflict"**).
- 17.2 Any authorisation under this Article 17 will be effective only if:
- 17.2.1 the matter in question shall have been proposed by any Director for consideration in the same way that any other matter may be proposed to the directors under the provisions of these Articles or in such other manner as the directors may determine;
 - 17.2.2 any requirement as to the quorum for consideration of the relevant matter is met without counting the Interested Director or any other interested Director; and
 - 17.2.3 the matter was agreed to without the Interested Director voting or would have been agreed to if the Interested Director's and any other interested Director's vote had not been counted.
- 17.3 Any authorisation of a Conflict under this Article 17 may (whether at the time of giving the authorisation or subsequently):
- 17.3.1 extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter or situation so authorised;
 - 17.3.2 provide that the Interested Director be excluded from the receipt of documents and information and the participation in discussions (whether at meetings of the directors or otherwise) related to the Conflict;
 - 17.3.3 provide that the Interested Director shall or shall not be an eligible Director in respect of any future decision of the directors in relation to any resolution related to the Conflict;
 - 17.3.4 impose upon the Interested Director such other terms for the purposes of dealing with the Conflict as the directors think fit;
 - 17.3.5 provide that, where the Interested Director obtains, or has obtained (through his involvement in the Conflict and otherwise than through his position as a Director of the Company) information that is confidential to a third party, he will not be obliged to disclose that information to the Company, or to use it in relation to the Company's affairs where to do so would amount to a breach of that confidence; and
 - 17.3.6 permit the Interested Director to absent himself from the discussion of matters relating to the Conflict at any meeting of the directors and be excused from reviewing papers prepared by, or for, the directors to the extent they relate to such matters.
- 17.4 Where the directors authorise a Conflict, the Interested Director will be obliged to conduct himself in accordance with any terms and conditions imposed by the directors in relation to the Conflict.
- 17.5 The directors may revoke or vary such authorisation at any time, but this will not affect anything done by the Interested Director, prior to such revocation or variation, in accordance with the terms of such authorisation.
- 17.6 A Director is not required, by reason of being a Director (or because of the fiduciary relationship established by reason of being a Director), to account to the Company for any remuneration, profit or other benefit which he derives from or in connection with a relationship involving a Conflict which has been authorised by the directors or by the Company in general

meeting (subject in each case to any terms, limits or conditions attaching to that authorisation) and no contract shall be liable to be avoided on such grounds.

18 RECORDS OF DECISIONS TO BE KEPT

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

19 NUMBER OF DIRECTORS

Unless otherwise determined by ordinary resolution, the number of directors (other than alternate directors) shall not be subject to any maximum but shall not be less than two, one of which must be an A Director (if any A Director) or a B Director (if they have been appointed).

20 APPOINTMENT AND REMOVAL OF DIRECTORS

20.1 Notwithstanding any other provisions of these Articles, the A Shareholders shall have the right to appoint up to four A Directors to the Board and the B Shareholders shall have the right to appoint up to two B Directors to the Board each by notice in writing to the Company and each may (as appropriate) remove from office any A Director or B Director by notice in writing to the Company and appoint any person in place of any A Director or B Director (as appropriate) so removed or who had died or otherwise vacated office as such.

20.2 Model Article 18 shall be modified by the addition of the following events upon the occurrence of which a person shall cease to be a Director:

20.2.1 he is convicted of a criminal offence (other than a minor motoring offence) and a majority of the other directors resolve that he cease to be a Director;

20.2.2 in the case of an executive Director only, he shall cease to be employed by the Company or other Group Company (as appropriate) and does not continue as an employee of any other Group Company.

20.3 Notwithstanding Article 20.2, any Director may be removed from office by the A Shareholders and the B Shareholders at any time without notice.

20.4 In any case where, as a result of death or bankruptcy, the Company has no shareholders and no directors, the transmittee(s) of the last shareholder to have died or to have a bankruptcy order made against him (as the case may be) have the right, by notice in writing, to appoint a natural person (including a transmittee who is a natural person), who is willing to act and is permitted to do so, to be a Director.

21 APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

21.1 Any Director ("**appointor**") may appoint as an alternate any other Director, or any other person approved by the A Shareholders and the B Shareholders, to:

21.1.1 exercise that Director's powers; and

21.1.2 carry out that Director's responsibilities,

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

21.2 Subject to Article 24.1.5, any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

21.3 The notice must:

21.3.1 identify the proposed alternate; and

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

22 DISQUALIFICATION AND REMOVAL OF DIRECTORS

- 22.1 The office of a Director will be vacated if:
- 22.1.1 he ceases to be a Director by virtue of any provision of the Companies Act or he becomes prohibited by law from being a director;
 - 22.1.2 he becomes bankrupt or makes any arrangement or composition with his creditors generally;
 - 22.1.3 he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder of discharging his duties as a Director;
 - 22.1.4 he resigns his office by notice in writing to the Company;
 - 22.1.5 he has for more than six consecutive months been absent without permission of the Directors from meetings of Directors held during that period and his alternate director (if any) has not during that period attended any such meetings instead of him, and the Directors resolve that his office be vacated;
 - 22.1.6 he is removed from office by notice addressed to him at his last-known address and signed by all his co-Directors;
 - 22.1.7 he is removed from office by notice given by a member or members under these Articles; or
 - 22.1.8 being an executive Director he ceases, for whatever reason, to be employed by any member of the Group.

23 RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 23.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the directors as the alternate's appointor.
- 23.2 Except as the Articles specify otherwise, alternate directors:
- 23.2.1 are deemed for all purposes to be directors;
 - 23.2.2 are liable for their own acts and omissions;
 - 23.2.3 are subject to the same restrictions as their appointors; and
 - 23.2.4 are not deemed to be agents of or for their appointors
- and, in particular (without limitation), each alternate Director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- 23.3 A person who is an alternate Director but not a Director:
- 23.3.1 may be counted as participating for the purposes of determining whether a quorum is present (but only if that person's appointor is not participating);
 - 23.3.2 may participate in a unanimous decision of the directors (but only if his appointor is an eligible Director in relation to that decision, but does not participate); and
 - 23.3.3 shall not be counted as more than one Director for the purposes of Articles 23.3.1 and 23.3.2.

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

23.5 An alternate Director may be paid expenses and may be indemnified by the Company to the same extent as his appointor but shall not be entitled to receive any remuneration from the Company for serving as an alternate Director except such part of the alternate's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

24 TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate Director's appointment as an alternate terminates:

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

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

24.1.3 on the death of the alternate's appointor;

24.1.4 when the alternate's appointor's appointment as a Director terminates; or

24.1.5 as directed by the A Shareholders and the B Shareholders, at any time, whether with or without notice (at the discretion of the A Shareholders and the B Shareholders).

25 SECRETARY

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

Decision making by shareholders

26 VOTES OF SHAREHOLDERS

26.1 Subject to Article 26.6, and any rights or restrictions attached to any Shares, on a show of hands every Shareholder who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative, not being himself a Shareholder entitled to vote, shall have one vote and on a poll every Shareholder shall have one vote for every Share of which he is the holder. A proxy will be entitled to vote whether on a show of hands or on a poll, and a duly authorised representative of a corporate Shareholder will be entitled to vote on its behalf whether on a show of hands or on a poll, and whether or not such duly authorised representative is also a Shareholder entitled to vote.

26.2 Subject to Article 26.6, unless the directors otherwise determine, 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.

26.3 Subject to Article 26.6, Model Article 44(3) shall be amended by the insertion of the words, "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Model Article.

26.4 Subject to Article 26.6, Model Article 45(1)(d) shall be deleted and replaced with the words, "is delivered to the Company in accordance with the Articles not less than 48 hours before the time appointed for holding the meeting or adjourned meeting at which the right to vote is to be exercised and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which they relate".

- 26.5 Subject to Article 26.6, Model Article 45(1) shall be amended by the insertion of the words, "and a proxy notice which is not delivered in such manner shall be invalid" as a new paragraph at the end of that Model Article.
- 26.6 The holders of the Preferred C Shares, Preferred D Shares, C Shares, the D Shares, the E Shares, the F Shares and the G Shares shall not be entitled to receive notice of and have no rights to attend, speak or vote at any general meetings of the Company.
- 26.7 The A Shares, the B Shares and the H Shares shall confer on each holder of A Shares, B Shares and H Shares (as applicable) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and each A Share, each B Share and each H Share shall carry one vote per Share.

Administrative arrangements

27 MEANS OF COMMUNICATION TO BE USED

- 27.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:
- 27.1.1 if properly addressed and sent by prepaid United Kingdom first class post to an address in the United Kingdom, 48 hours after it was posted (or five business days after posting either to an address outside the United Kingdom or from outside the United Kingdom to an address within the United Kingdom, if (in each case) sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five business days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider);
- 27.1.2 if properly addressed and delivered by hand, when it was given or left at the appropriate address;
- 27.1.3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied; and
- 27.1.4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this article, no account shall be taken of any part of a day that is not a business day.

- 27.2 In proving that any notice, document or other information was properly addressed, it shall suffice to show that the notice, document or other information was addressed to an address permitted for the purpose by the Act.

28 PARTLY PAID SHARES

- 28.1 The company has a lien (the "**Company's Lien**") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the company, whether payable immediately or at some time in the future.
- 28.2 The Company's Lien over a Share:
- 28.2.1 takes priority over any third party's interest in that Share; and
- 28.2.2 extends to any dividend 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, but prior to the giving of a Lien Enforcement Notice dividends may (subject to Article 13.1) be declared and payable to a

Shareholder notwithstanding that the Share or Shares in respect of which it is paid are nil or partly paid,

The directors may at any time decide that a Share which is or would otherwise be subject to the Company's Lien shall not be subject to it, either wholly or in part.

28.3 Subject to the provisions of this Article 28.3 to 28.6 (inclusive), if:

28.3.1 a Lien Enforcement Notice has been given in respect of a Share; and

28.3.2 the person to whom the notice was given has failed to comply with it,

the company may sell that Share in such manner as the directors decide.

28.4 A Lien Enforcement Notice:

28.4.1 may only be given in respect of a Share which is subject to the Company's Lien and in respect of a sum payable to the company for which the due date for payment has passed;

28.4.2 must specify the Share concerned;

28.4.3 must require payment of the sum within 14 clear days of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

28.4.4 must be addressed either to the holder of the Share or to a transmittee of that holder; and

28.4.5 must state the company's intention to sell the Share if the notice is not complied with.

28.5 Where Shares are sold under this Article 26.4:

28.5.1 the directors may authorise any person to execute an instrument of transfer of the Shares to the purchaser or to a person nominated by the purchaser; and

28.5.2 the transferee is not bound to see to the application of the consideration, and the transferee's title is not affected by any irregularity in or invalidity of the process leading to the sale.

28.6 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:

28.6.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the Lien Enforcement Notice; and

28.6.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the company for cancellation, or an indemnity in a form reasonably satisfactory to the directors has been given for any lost certificates, and subject to a lien equivalent to the Company's Lien over the Shares before the sale for any money payable by that person (or his estate or any joint holder of the Shares) after the date of the Lien Enforcement Notice. A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been sold to satisfy the Company's Lien on a specified date:

28.6.3 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

28.6.4 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.

- 28.7 Subject to these Articles and to the terms on which Shares are allotted, the directors may send a notice ("**a Call Notice**") to a Shareholder requiring the Shareholder to pay the Company a specified sum of money ("**a Call**") which is payable in respect of Shares in the Company held by that Shareholder at the date when the directors decide to send the Call Notice.
- 28.8 A Call Notice:
- 28.8.1 may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares (whether in respect of nominal value or premium);
 - 28.8.2 must state when and how any Call to which it relates is to be paid; and
 - 28.8.3 may permit or require the Call to be made in instalments.
- 28.9 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 clear days (that is, excluding the date on which the notice is given and the date on which that 14 day period expires) have passed since the notice was sent.
- 28.10 Before the Company has received any Call due under a Call Notice the directors may:
- 28.10.1 revoke it wholly or in part; or
 - 28.10.2 specify a later time for payment than is specified in the notice,
- by a further notice in writing to the Shareholder in respect of whose Shares the Call is made.
- 28.11 Liability to pay a Call is not extinguished or transferred by transferring the shares in respect of which it is required to be paid.
- 28.12 Joint holders of a Share are jointly and severally liable to pay all Calls in respect of that Share.
- 28.13 Subject to the terms on which Shares are allotted, the directors may, when issuing Shares, provide that Call Notices sent to the holders of those Shares may require them:
- 28.13.1 to pay Calls which are not the same; or
 - 28.13.2 to pay Calls at different times.
- 28.14 A Call Notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
- 28.14.1 on allotment;
 - 28.14.2 on the occurrence of a particular event; or
 - 28.14.3 on a date fixed by or in accordance with the terms of issue.
- 28.15 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a Call Notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.
- 28.16 If a person is liable to pay a Call and fails to do so by the call payment date:
- 28.16.1 the directors may issue a notice of intended forfeiture to that person; and
 - 28.16.2 until the Call is paid, that person must pay the Company interest on the Call from the call payment date at the relevant rate.

28.17 For the purposes of these Articles: Article 28.9, the time when the Call Notice states that a Call is payable, unless the directors give a notice specifying a later date, in which case the **"Call Payment Date"** is that later date; and

28.17.1 the **"Relevant Rate"** is

- (a) the rate fixed by the terms on which the share in respect of which the Call is due was allotted;
- (b) such other rate as was fixed in the Call Notice which required payment of the Call, or has otherwise been determined by the directors; or
- (c) if no rate is fixed in either of these ways, 5% per annum.

28.18 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

28.19 The directors may waive any obligation to pay interest on a Call wholly or in part.

28.20 A notice of intended forfeiture:

28.20.1 may be sent in respect of any share in respect of which a Call has not been paid as required by a Call Notice;

28.20.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a transmittee of that holder;

28.20.3 must require payment of the Call and any accrued interest and all expenses that may have been incurred by the company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice (that is, excluding the date on which the notice is given and the date on which that 14 day period expires);

28.20.4 must state how the payment is to be made; and

28.20.5 must state that if the notice is not complied with, the shares in respect of which the Call is payable will be liable to be forfeited.

If a notice of intended forfeiture is not complied with before the date by which payment of the Call is required in the notice of intended forfeiture, the directors may decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other moneys payable in respect of the forfeited Shares and not paid before the forfeiture.

28.21 Subject to the Articles, the forfeiture of a share extinguishes:

28.21.1 all interests in that share, and all claims and demands against the Company in respect of it; and

28.21.2 all other rights and liabilities incidental to the share as between the person whose share it was prior to the forfeiture and the Company.

28.22 Any share which is forfeited in accordance with the Articles:

28.22.1 is deemed to have been forfeited when the directors decide that it is forfeited;

28.22.2 is deemed to be the property of the Company; and

28.22.3 may be sold, re-allotted or otherwise disposed of as the directors think fit.

28.23 If a person's Shares have been forfeited:

28.23.1 the Company must send that person notice that forfeiture has occurred and record it in the register of Shareholders;

- 28.23.2 that person ceases to be a Shareholder in respect of those Shares;
 - 28.23.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
 - 28.23.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
 - 28.23.5 the directors may waive payment of such sums 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.
- 28.24 At any time before the Company disposes of a forfeited Share, the directors may decide to cancel the forfeiture on payment of all Calls and interest and expenses due in respect of it and on such other terms as they think fit.
- 28.25 If a forfeited Share is to be disposed of by being transferred, the Company may receive the consideration for the transfer and the directors may authorise any person to execute the instrument of transfer.
- 28.26 A statutory declaration by a director or the company secretary that the declarant is a director or the company secretary and that a Share has been forfeited on a specified date:
- 28.26.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
 - 28.26.2 subject to compliance with any other formalities of transfer required by the Articles or by law, constitutes a good title to the Share.
- 28.27 A person to whom a forfeited Share is transferred is not bound to see to the application of the consideration (if any) nor is that person's title to the Share affected by any irregularity in or invalidity of the process leading to the forfeiture or transfer of the Share.
- 28.28 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which:
- 28.28.1 was, or would have become, payable; and
 - 28.28.2 had not, when that share was forfeited, been paid by that person in respect of that Share,
- but no interest is payable to such a person in respect of such proceeds and the Company is not required to account for any money earned on them.
- 28.29 A Shareholder may surrender any Share:
- 28.29.1 in respect of which the directors may issue a notice of intended forfeiture;
 - 28.29.2 which the directors may forfeit; or
 - 28.29.3 which has been forfeited.
- 28.30 The directors may accept the surrender of any such Share.
- 28.31 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.
- 28.32 A Share which has been surrendered may be dealt with in the same way as a share which has been forfeited.

29 INDEMNITY

- 29.1 Subject to Article 29.2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled:
- (a) 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;
 - (b) in the actual or purported execution and/or discharge of his duties, or in relation to them; and
 - (c) 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
- (d) 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 29.1(a) and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure.

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

29.3 In this Article:

- 29.3.1 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate; and
- 29.3.2 a "**relevant officer**" means any Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act).

30 INSURANCE

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

30.2 In this article:

- 30.2.1 a "**relevant officer**" means any Director or other officer of the Company or an associated company (including any company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act);
- 30.2.2 a "**relevant loss**" means any loss or liability which has been or may be incurred by a relevant officer in connection with that 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; and
- 30.2.3 companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.