

Company Number: 09007042

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**  
**WRITTEN RESOLUTIONS**  
**OF**  
**UTILIGROUP LIMITED**  
**(the "Company")**

In accordance with the written resolution procedure in chapter 2 of part 13 of the Companies Act 2006, the following resolutions were duly passed on 17 | 11 | 2015 as ordinary and special resolutions

**ORDINARY RESOLUTION**

- 1 **THAT** in accordance with section 551 of the Act, the directors be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £3 333 (exclusive of the shares in issue at the date this resolution is passed) provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the date which is five years 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 and the directors may allot shares in pursuance of that offer or agreement notwithstanding that the authority conferred by this resolution has expired

**SPECIAL RESOLUTIONS**

- 2 **THAT** 27 F Ordinary Shares of £0 01 each held by Janette Icton be re-designated so as to become 27 Deferred Shares of £0 01
- 3 **THAT** subject to the passing of the previous resolutions, the articles of association in the attached form and initialled by a director of the Company for the purpose of identification are adopted as the articles of association of the Company in substitution for and to the exclusion of the existing articles of association of the Company

  
Director



Draft 2 November 2015



17 November 2015

Company Number 09007042

**ARTICLES OF ASSOCIATION OF  
UTILIGROUP LIMITED**

**(ADOPTED BY SPECIAL RESOLUTION PASSED ON**

**2015)**

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Company Number. 09007042

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

(Adopted by Special Resolution passed on 2015)

**PART 1 – DEFINITIONS AND INTERPRETATION**

**1 Definitions and Interpretation**

1 1 The definitions set out in this Article 1 1 apply in these articles

<b>"A Ordinary Shares"</b>	the A1 Ordinary Shares and the A2 Ordinary Shares
<b>"A1 Ordinary Shares"</b>	the A1 ordinary shares of £0 01 each in the Company from time to time
<b>"A1 Ordinary Shareholders"</b>	the Holders of the A1 Ordinary Shares from time to time
<b>"A1 Return"</b>	has the meaning given in the Investment Agreement
<b>"A2 Ordinary Shares"</b>	the A2 ordinary shares of £0 01 each in the Company from time to time
<b>"A2 Ordinary Shareholders"</b>	the Holders of the A2 Ordinary Shares from time to time
<b>"Acceptance Period"</b>	has the meaning given in Article 13 6
<b>"Act"</b>	the Companies Act 2006
<b>"Acting in Concert"</b>	has the meaning given by the City Code on Takeovers and Mergers as in force and construed on the Adoption Date
<b>"Adoption Date"</b>	20 June 2014
<b>"Allocated Person"</b>	has the meaning given in Article 13 8
<b>"Alternate"</b>	has the meaning given in Article 43 1
<b>"Appointor"</b>	has the meaning given in Article 43 1
<b>"Authorisation"</b>	has the meaning given in Article 35 2
<b>"Authorised Person"</b>	(a) any Director,

- (b) the company secretary (if any), or
- (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied

**"Available Shares"** has the meaning given in Article 13 6

**"B Ordinary Shares"** the B ordinary shares of £0 01 each in the Company from time to time

**"B Ordinary Shareholders"** the Holders of the B Ordinary Shares from time to time

**"Bad Leaver"** a Leaver other than a Good Leaver

**"Bad Leaver Price"** means

- (a) in the case of Sale Shares which are B Ordinary Shares, the price per Sale Share calculated as follows

<b>Cessation Date in relation to a Leaver</b>	<b>% of Sale Shares held by the Leaver to be transferred at their Fair Price</b>	<b>% of Sale Shares held by the Leaver to be transferred at a price per Sale Share equal to the lesser of their Fair Price and Issue Price</b>
Prior to the first anniversary of the date of issue of such Share(s) (Issue Date)	0%	100%
Between the first anniversary of the Issue Date to the day prior to the second anniversary of the Issue Date	8%	92%
Between the second anniversary of the Issue Date to the	17%	83%

day prior to the third anniversary of the Issue Date		
Between the third anniversary of the Issue Date to the day prior to the fourth anniversary of the Issue Date	25%	75%
On or after the fourth anniversary of the Issue Date	33%	67%

(b) in relation to Sale Shares which are C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares or J Ordinary Shares, the lesser of

- (i) their Fair Price, and
- (ii) their Issue Price,

**"Base Rate"**

the base lending rate from time to time of Lloyds Bank plc

**"Benefits"**

all salaries, fees, bonuses, sums paid by way of expenses allowance (so far as chargeable to income tax), pension contributions, long term investment scheme payments and the estimated money value of benefits in kind

**"Board"**

the board of directors of the Company from time to time

**"Business Day"**

a day (other than a Saturday, Sunday or public holiday) when the banks in London are open for business

**"Business Plan"**

has the meaning given in the Investment Agreement

**"C Ordinary Shares"**

the C ordinary shares of £0.01 each in the Company from time to time

**"C Ordinary Shareholders"**

the Holders of the C Ordinary Shares from time to time

**"Call"**

has the meaning given in Article 48.1

**"Call Notice"**

has the meaning given in Article 48.1

**"Call Payment Date"**

the time when the Call Notice states that a Call is payable or, if the Directors give a notice specifying a later date, that later

	date
<b>"Capitalised Sum"</b>	has the meaning given in Article 70 1(b)
<b>"Chairman"</b>	has the meaning given in the Investment Agreement
<b>"Chairman of the Meeting"</b>	the person chairing the relevant general meeting in accordance with Article 72
<b>"Close Date"</b>	has the meaning given in Article 15 2(b)
<b>"Committed Shareholder"</b>	has the meaning given in Article 15 1
<b>"Company"</b>	Utiligroup Limited
<b>"Completion"</b>	completion of the sale of the relevant Sale Shares in accordance with these articles
<b>"Conflict"</b>	has the meaning given in Article 35 1
<b>"Conflicted Director"</b>	has the meaning given in Article 35 1
<b>"Connected Person"</b>	a person connected with another within the meaning of section 1122 of CTA
<b>"Controlling Interest"</b>	an interest (within the meaning of schedule 1 to the Act) in more than 50% of the Equity Shares
<b>"Controlling Shares"</b>	has the meaning given in Article 15 1
<b>"CTA"</b>	the Corporation Tax Act 2010
<b>"Deferred Shares"</b>	the Deferred Shares of £0 01 each in the Company from time to time
<b>"D Ordinary Shares"</b>	the D ordinary shares of £0 01 each in the Company from time to time
<b>"D Ordinary Shareholders"</b>	the Holders of the D Ordinary Shares from time to time
<b>"Director"</b>	a director of the Company, including any person occupying the position of director, by whatever name called
<b>"Distribution Recipient"</b>	in relation to a Share in respect of which a dividend or other sum is payable <ul style="list-style-type: none"> <li>(a) the Holder of that Share,</li> <li>(b) if that Share has two or more joint Holders, whichever of them is named first in the register of members, or</li> <li>(c) if the Holder is no longer entitled to that Share by</li> </ul>



reason of death or bankruptcy, or otherwise by operation of law, the Transmittee

<b>"Dragged Shareholders"</b>	has the meaning given in Article 14 1
<b>"Dragged Shares"</b>	has the meaning given in Article 14 1
<b>"Drag Notice"</b>	has the meaning given in Article 14 2
<b>"Drag Option"</b>	has the meaning given in Article 14 1
<b>"Drag Price"</b>	has the meaning given in Article 14 2(c)
<b>"Electronic Form"</b>	has the meaning given in section 1168 of the Act
<b>"Eligible Directors"</b>	in relation to any matter, the Directors who would have been entitled to vote on, and whose votes would have been counted in respect of, that matter had it been proposed as a resolution at a Directors' meeting
<b>"Eligible Shareholders"</b>	each Equity Shareholder who is an Equity Shareholder at the close of business on the date the relevant Transfer Notice is deemed served (excluding the relevant Mandatory Seller(s), any other Excluded Person, any F Ordinary Shareholder and any other Shareholder who at any time before that date is deemed to have given a current Transfer Notice in respect of any Share or who is bound under these articles to give a Transfer Notice in respect of any Share)
<b>"Employee"</b>	a director and/or employee of any Group Company
<b>"Employee Trust"</b>	a trust approved by the Investor Majority established to hold Shares for the benefit of Employees
<b>"E Ordinary Shareholder"</b>	the holders of E Ordinary Shares from time to time
<b>"E Ordinary Shares"</b>	the E ordinary shares of £0 01 each in the Company from time to time
<b>"Equity Dividends"</b>	the aggregate of all sums paid or declared and/or accrued to Equity Shareholders pursuant to Article 5 1 up to the first occurrence of an Event
<b>"Equity Proceeds"</b>	means  (a) on a Listing, the valuation placed upon the whole of the Equity Shares as conclusively determined (at the cost of the Company) by the sponsoring broker, calculated on the basis of the issue price referred to in

the prospectus (or listing particulars) published in connection with the Listing, LESS the gross amount of any new money raised by the Company from the subscription for new shares issued by the Company at the time of and in connection with the Listing and LESS the costs and expenses of the Listing to the extent not borne by the shareholders,

- (b) on a Share Sale, the price paid for all the Shares (and not, for the avoidance of doubt, any amount to be provided by a purchaser to procure the repayment by any Group Company of any bank debt or other borrowings (including any loan notes)) calculated by reference to the price paid upon such Share Sale PLUS the cash value of any other sum (in cash or otherwise) received or receivable by the holders of the Shares (or any of them) which can reasonably be regarded as an addition to the price for the Shares (which is paid at the time of the Share Sale) and to the extent that the consideration for the Share Sale includes shares or loan notes which is unconditionally received at the time of the Share Sale, its value shall be the present value of such consideration at or immediately prior to the Share Sale and to the extent it includes any sums payment of which is contingent no value shall be apportioned to such sums LESS the costs and expenses of shareholders in connection with the Share Sale (to the extent not borne by the Shareholders) For clarity, Equity Proceeds on a Share Sale shall not mean the enterprise value, and
- (c) on return of capital by way of liquidation or capital reduction or otherwise, any monies available to the holders of Shares following the realisation and distribution of the assets of the Company, for example by a liquidator following a liquidation

<b>"Equity Securities"</b>	has the meaning given in section 560(1) of the Act
<b>"Equity Shareholders"</b>	the Holders of the Equity Shares from time to time
<b>"Equity Shares"</b>	the A Ordinary Shares, the B Ordinary Shares, the C Ordinary Shares, the E Ordinary Shares, the F Ordinary Shares, the G Ordinary Shares, the H Ordinary Shares, the I Ordinary Shares and the J Ordinary Shares

<b>"Event"</b>	a Share Sale or a Listing
<b>"Excess Securities"</b>	has the meaning given in Article 10 5(a)
<b>"Excluded Person"</b>	a person <ul style="list-style-type: none"> <li>(a) in relation to whom a Transfer Event has occurred, or</li> <li>(b) an Employee who has given or been given notice to terminate his contract of employment with any Group Company and following that termination will cease to be an Employee</li> </ul>
<b>"Expert"</b>	a firm of chartered accountants (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to the nomination for a period of seven days, nominated on the application of any of the parties concerned by the President for the time being of the Institute of Chartered Accountants in England and Wales. The parties concerned shall co-operate in relation to the nomination and subsequent appointment of the firm of chartered accountants and shall not unreasonably withhold their consent to the nomination or subsequent appointment, or the terms of engagement for the appointment, of the firm of chartered accountants
<b>"F Ordinary Shares"</b>	the F ordinary shares of £0.01 each in the Company from time to time
<b>"F Ordinary Shareholder"</b>	the holders of F Ordinary Shares from time to time
<b>"Facility Document"</b>	any document to which a Group Company is from time to time party and relating to the provision of senior debt lending to the Group including an Intercreditor Deed
<b>"Fair Price"</b>	the price per Sale Share agreed between the relevant Mandatory Seller and (with Investor Consent) the Company within 10 days after the date the relevant Transfer Notice is deemed served or, failing such agreement, the price determined by the Expert pursuant to Article 13.4
<b>"Financial Year"</b>	an accounting reference period (as defined by the Act) of the Company
<b>"Fully Paid"</b>	in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been Paid to the Company

<b>"G Ordinary Shares"</b>	the G ordinary shares of £0.01 each in the Company from time to time
<b>"Good Leaver"</b>	<p>a Leaver who becomes a Leaver as a result of</p> <ul style="list-style-type: none"> <li>(a) death,</li> <li>(b) permanent disability or permanent incapacity through ill health not caused by the misuse of illegal drugs or alcohol,</li> <li>(c) ceases to be employed by a Group Company as a result of redundancy (as defined in the Employment Rights Act 1996) (or as a result of circumstances which would otherwise than by virtue of the operation of the provisions of Section 205A of the Employment Rights Act 1996 amount to redundancy in respect of that Leaver),</li> <li>(d) wrongful dismissal, or</li> <li>(e) the Board, with the consent of an Investor Director (or where no Investor Director is appointed, with Investor Consent), determines is a Good Leaver</li> </ul>
<b>"Group"</b>	<p>in relation to a company</p> <ul style="list-style-type: none"> <li>(a) that company, <ul style="list-style-type: none"> <li>ii) any company which is from time to time a subsidiary of that company, and</li> <li>iii) any company of which that company is a subsidiary from time to time (its holding company) and any other subsidiaries of any such holding company from time to time</li> </ul> </li> </ul>
<b>"Group Company"</b>	any member of the Company's Group
<b>"H Ordinary Shares"</b>	the H ordinary shares of £0.01 each in the Company from time to time
<b>"Hard Copy Form"</b>	has the meaning given in section 1168 of the Act
<b>"Holder"</b>	in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time
<b>"I Ordinary Shares"</b>	the I ordinary shares of £0.01 each in the Company from time to time

<b>"Initial Investors"</b>	has the meaning given to that term in the Investment Agreement
<b>"Institutional Investor"</b>	any person whose business is (whether in whole or in part) to make, manage or advise on investments
<b>"Intercreditor Deed"</b>	has the meaning given in the Investment Agreement
<b>"Interested Shareholders"</b>	has the meaning given in Article 15 1
<b>"Investment Agreement"</b>	the agreement for Share and loan note subscriptions dated the Adoption Date and made between, inter alios, the Company, the Managers, the Chairman, the Investors and the Investor Manager
<b>"Investor Consent"</b>	the giving of a prior consent in Writing by the Investor Majority
<b>"Investor Covenant"</b>	has the meaning given in the Investment Agreement
<b>"Investor Direction"</b>	the giving of a prior direction in Writing by the Investor Majority
<b>"Investor Director"</b>	has the meaning given in Article 3 1
<b>"Investor Majority"</b>	the Shareholders who together, at the relevant time, are the Holders of more than 50% in number of the A1 Ordinary Shares in issue at that time
<b>"Investor Manager"</b>	Northedge Capital LLP (registered number OC345118)
<b>"Investors"</b>	has the meaning given in the Investment Agreement
<b>"Investor Shares"</b>	the A1 Ordinary Shares and any other Shares held by or on behalf of an Investor
<b>"Investment Trust"</b>	has the meaning given in the Listing Rules published by the United Kingdom Listing Authority
<b>"Issue Price"</b>	in relation to any Share, the price at which that Share is issued (being the aggregate of the amount Paid in respect of the nominal value of that Share and any share premium on that Share)
<b>"J Ordinary Shares"</b>	the J ordinary shares of £0 01 each in the Company from time to time
<b>"Leaver"</b>	<p>(a) a Shareholder (other than an A1 Ordinary Shareholder) who ceases to be an Employee and who does not remain an Employee of a Group Company,</p> <p>(b) a Shareholder (other than an A1 Ordinary Shareholder) who would have ceased to be an Employee but for his</p>

right to receive benefits under a permanent health or life assurance policy or similar,

(c) a person who becomes entitled to any B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and/or Deferred Shares

(i) on the death or bankruptcy of a Shareholder, or

(ii) on the exercise of an option after ceasing to be an Employee,

(d) a Shareholder who is holding any B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and/or Deferred Shares as nominee for any person who ceases to be an Employee

**"Leaving Date"**

in relation to any Leaver, the date on which he becomes a Leaver (which, in the case of any Shareholder who becomes a Leaver by virtue of any person ceasing to be an Employee, shall be the Termination Date in relation to that former Employee)

**"Listing"**

the admission of any Shares (or securities representing Shares) to, or the grant of permission for any Shares (or securities representing Shares) to be traded on, the Official List of the United Kingdom Listing Authority, AIM or any other recognised investment exchange (as defined in section 285(1)(a) of the Financial Services and Markets Act 2000)

**"Majority Decision"**

a majority decision taken at a Directors' meeting

**"Manager"**

has the meaning given in the Investment Agreement

**"Mandatory Seller"**

has the meaning given in Article 12.2

**"Mandatory Transfer Shares"**

(a) such B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and/or Deferred Shares as are held by a Shareholder in relation to whom a Transfer Event has occurred, or to which that Shareholder is entitled, on the Transfer Event Date and any B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary

Shares, J Ordinary Shares and/or Deferred Shares acquired by that Shareholder after the Transfer Event Date, and

- (b) such B Ordinary Shares, C Ordinary Shares, D Ordinary Shares, E Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and/or Deferred Shares as are held by any Shareholder who acquired them by way of transfer from a Shareholder in relation to whom a Transfer Event has occurred (whether by one or a series of two or more transfers)

<b>"Nil Paid"</b>	in relation to a Share, that no part of that Share's nominal value or any premium at which it was issued has been Paid to the Company
<b>"Non-Cash Consideration"</b>	has the meaning given in Article 14 2(b)
<b>"Observer"</b>	has the meaning given in Article 3 1
<b>"Offeree"</b>	has the meaning given in Article 13 5
<b>"Offer Notice"</b>	has the meaning given in Article 13 6
<b>"Ordinary Resolution"</b>	has the meaning given in section 282 of the Act
<b>"Paid"</b>	paid or credited as paid
<b>"Participate"</b>	has the meaning given in Article 31 1 and <b>"Participating"</b> shall be construed accordingly
<b>"Partly Paid"</b>	in relation to a Share, that part of that Share's nominal value or any premium at which it was issued has not been Paid to the Company
<b>"Persons Entitled"</b>	has the meaning given in Article 70 1(b)
<b>"Proposed Controller"</b>	has the meaning given in Article 15 1
<b>"Proxy Notice"</b>	has the meaning given in Article 78 1
<b>"Proxy Notification Address"</b>	has the meaning given in Article 79 1
<b>"Qualifying Person"</b>	<ul style="list-style-type: none"> <li>(a) an individual who is a Shareholder,</li> <li>(b) a person authorised under section 323 of the Act to act as the representative of a company in relation to the relevant general meeting, or</li> </ul>

	(c) a person appointed as proxy of a Shareholder in relation to the relevant general meeting
<b>"Relevant Director"</b>	any director or former director of any Group Company
<b>"Relevant Loss"</b>	any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any Group Company or any pension fund or employees' share scheme of any Group Company
<b>"Relevant Rate":</b>	<p>(a) the rate fixed by the terms on which the Share in respect of which the Call is due was allotted,</p> <p>(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</p> <p>(c) if no rate is fixed in either of the ways specified in (a) or (b) above, five per cent per annum</p>
<b>"Relevant Shares"</b>	has the meaning given in Article 14 1
<b>"Remuneration Committee"</b>	has the meaning given in the Investment Agreement
<b>"Sale Notice"</b>	has the meaning given in Article 13 9
<b>"Sale Price"</b>	the price per Share at which the relevant Shareholder must transfer the Sale Shares determined in accordance with Article 13 3
<b>"Sale Shares"</b>	has the meaning given in Article 13 2
<b>"Shareholder"</b>	a person who is the Holder of a Share
<b>"Shareholder Authorisation"</b>	has the meaning given in Article 35 4
<b>"Shares"</b>	shares in the Company
<b>"Share Sale"</b>	the completion of any sale of any interest in any Share (whether in one transaction or a series of related transactions) resulting in the transferee (either alone or together with its Connected Persons) holding a Controlling Interest
<b>"Special Resolution"</b>	has the meaning given in section 283 of the Act
<b>"Specified Event"</b>	<p>any one or more of the following</p> <p>(a) the contents of any financial or other information delivered to or made available to the Investors pursuant to the Investment Agreement demonstrating that during</p>



the following six months it is reasonably likely (in the reasonable opinion of the Investor Manager) that

- (i) an order will be made or a resolution passed or a petition presented for the winding up of a Group Company,
  - (ii) an administrator will be appointed over or in respect of a Group Company,
  - (iii) an administrative receiver, receiver or manager will be appointed over all or any of the assets of a Group Company,
  - (iv) a Group Company will cease to carry on business or be unable to pay its debts as they fall due, or
  - (v) having regard to all information available to the Group Company and the Investor Manager at the time it is reasonably certain that an event of default under (b) below will occur,
- (b) a material breach by any Group Company of the provisions of any Facility Document which unless rectified would give rise to an event of default thereunder,
- (c) any material or persistent breach by the Company of the obligations contained within clauses 4, 8, 18 or 19 of the Investment Agreement,
- (d) any material or persistent breach by the Managers of the obligations contained in clauses 6 or 8 of the Investment Agreement,
- (e) any failure to pay to the Investors (either cash or by way of payment-in-kind notes) any sum due (being principal or interest in the case of the Series A Loan Notes and any notes issued by the Company in order to enable the Company to repay the Series A1 Loan Notes, and interest in the case of the Series A1 Loan Notes) within 30 days of the relevant due date in accordance with the Series A1 Loan Note Instrument, or any instrument creating any loan notes issued by the Company in order to enable the Company to repay the Series A1 Loan Notes, or the Series A Loan Note Instrument, save insofar as a Facility Document contains an absolute prohibition against payment (other than in

circumstances giving rise to a breach of any financial covenant contained within such Facility Document or where such payment is permitted under such Facility Document subject to satisfaction of certain criteria and such criteria have not been satisfied), and/or

- (f) a breach has occurred of any covenant set out in the Investor Covenant,

and, in relation to the events at (c), (d) and (e) above, which breach or failure, if remediable, has not been remedied within 5 Business Days of the Investors serving notice on the Company and the Managers of such breach or failure

<b>"Start Date"</b>	the date on which the Sale Price for the relevant Sale Shares is agreed or determined
<b>"Series A1 Loan Note Instrument"</b>	has the meaning given in the Investment Agreement
<b>"Series A Loan Note Instrument"</b>	has the meaning given in the Investment Agreement
<b>"Series A1 Loan Notes"</b>	has the meaning given in the Investment Agreement
<b>"Series A Loan Notes"</b>	has the meaning given in the Investment Agreement
<b>"Tag Notice"</b>	has the meaning given in Article 15 1
<b>"Tag Offer"</b>	has the meaning given in Article 15 1
<b>"Tag Price"</b>	has the meaning given in Article 15 2(a)
<b>"Termination Date"</b>	<ul style="list-style-type: none"> <li>(a) where employment ceases by virtue of notice given by the employer to the Employee concerned, the date on which that notice expires,</li> <li>(b) where a contract of employment is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which that notice was given or, if later, the date the Employee concerned ceases to be an Employee,</li> <li>(c) where the Employee concerned is a director and an employee of any Group Company, the date on which that Employee's contract of employment with that Group Company is terminated,</li> <li>(d) where the Employee concerned is a director (but not an employee) of any Group Company, the date on which</li> </ul>

	the contract for the provision of that Employee's services (whether entered into directly with him or with a third party) with that Group Company is terminated,
	(e) in the case of the Chairman, the date on which he ceases to be a director of any Group Company, or
	(f) in any other case, the date on which the contract of employment of the Employee concerned is terminated
<b>"Transaction"</b>	has the meaning given in Article 36 1
<b>"Transaction Director"</b>	has the meaning given in Article 36 1
<b>"Transfer Event"</b>	Has the meaning given in Article 13 1
<b>"Transfer Event Date"</b>	has the meaning given in Article 12 2
<b>"Transfer Form"</b>	an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor
<b>"Transfer Notice"</b>	a notice stating that the relevant Mandatory Seller wishes to sell Shares
<b>"Transmittee"</b>	a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law
<b>"Uncommitted Shareholders"</b>	has the meaning given in Article 15 1
<b>"Uncommitted Shares"</b>	has the meaning given in Article 15 1
<b>"Unanimous Decision"</b>	has the meaning given in Article 29 1
<b>"Very Bad Leaver"</b>	a Leaver who <ul style="list-style-type: none"> <li>(a) has been convicted of a criminal offence which is subject to a custodial sentence,</li> <li>(b) has been convicted of fraud,</li> <li>(c) is or has previously been in breach of the covenants at clause 7 of the Investment Agreement, or</li> <li>(d) is a Leaver as a result of voluntary resignation within the 4 year period beginning on the Adoption Date</li> </ul>
<b>"Very Bad Leaver Price"</b>	the price per Sale Share which is the lesser of <ul style="list-style-type: none"> <li>(a) their Fair Price, and</li> <li>(b) their Issue Price,</li> </ul>

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- "Voting Adjustment Notice"** has the meaning given in Article 7 2
- "Writing"** the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise
- 1 2 The rules of interpretation set out in Articles 1 3 to 1 9 (inclusive) apply in these articles
- 1 3 A reference to
- (a) a **"person"** includes a reference to
    - (i) any individual, firm, partnership, unincorporated association or company wherever incorporated or situate, and
    - (ii) that person's legal personal representatives, trustees in bankruptcy and successors,
  - (b) **"bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy,
  - (c) a **"document"** includes, unless otherwise specified, any document sent or supplied in Electronic Form, and
  - (d) a **"company"** shall include any company, corporation or other body corporate, wherever and however incorporated or established
- 1 4 Unless the context otherwise requires
- (a) words denoting the singular shall include the plural and vice versa,
  - (b) words denoting a gender shall include all genders, and
  - (c) references to (or to any specified provision of) these articles or any other document shall be construed as references to these articles, that provision or that document as in force and as amended from time to time
- 1 5 Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but this Article 1 5 shall not operate so as to impose on any person any greater obligation than would otherwise apply
- 1 6 Unless the context otherwise requires, words or expressions used in these articles shall have the same meaning as in the Act
- 1 7 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 8 A reference to an "**Article**" is to an article of these articles
- 1 9 A reference to a "**transfer of Shares**" or any similar expression shall include a sale or transfer of any interest in any Shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares

## **PART 2 – SPECIFIC INVESTMENT PROVISIONS**

### **2 Investor Consent and Investor Direction**

- 2 1 An Investor Consent or Investor Direction required or permitted to be given under these articles may be given by an Investor Director or, if there is no Investor Director, by the Investor Manager
- 2 2 Any consent in Writing or approval given by the Investor Majority to a matter or event in respect of which Investor Consent is required shall, unless that consent or approval expressly states otherwise, be deemed to be an Investor Consent for the purpose of these articles

### **3 Investor Director and Observer**

- 3 1 Notwithstanding any other provisions of these articles, the Investor Majority shall have the right at any time in its absolute discretion, by notice in Writing to the Company, to appoint one person as a Director (an "**Investor Director**") and at any time and from time to time to remove from office in like manner any person so appointed and to appoint a replacement. On request by the Investor Majority, the Company shall procure that any Investor Director is appointed as a director of any other Group Company. The Company will pay all out of pocket expenses reasonably incurred by the Investor Director in connection with his office as director of any Group Company.
- 3 2 The Investor Majority shall have the right, from time to time and by notice in Writing to the Company, to appoint a person to attend all Directors' meetings as an observer. The person so appointed (the "**Observer**") shall be given (at the same time as the Directors) notice of all Directors' meetings and all agendas, written materials, minutes and other papers and/or information relating to such meetings. The Observer shall be entitled to attend any and all Directors' meetings and to speak and place items on the agenda for discussion provided that the Observer shall not be entitled in any circumstances to vote. The Investor Majority may at any time and from time to time remove the Observer and appoint another person in his place. The Company will pay the reasonable out-of-pocket expenses of the Observer in connection with attending Directors' meetings.

### **4 Share Capital**

The share capital of the Company is comprised of the Equity Shares and the D Ordinary Shares

**5 Share Rights (Income)**

5 1 The Company may not distribute any profits in respect of any financial year, and the Directors may not distribute any interim dividend, unless and until Investor Consent to such distribution shall have been obtained. Subject thereto, any profits determined to be distributed shall be applied as follows

- (a) amongst the holders of A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and E Ordinary Shares (pari passu as if the same constituted one class of share) ("**Ordinary Dividend**"), and
- (b) to the holders of the D Ordinary Shares as one class a dividend equal to 0.1% of any Ordinary Dividend such dividend to be distributed to the holders of the D Ordinary Shares in proportion to the number of D Ordinary Shares held by each holder

5 2 The provisions of this Article 5 are subject to the provisions of Article 21

5 3 Where any dividend payment is not made because of the provisions of Article 21, that dividend payment shall be paid on the necessary consent being obtained or the prohibition on it ceasing to apply

5 4 The holders of the F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares and J Ordinary Shares shall have no right to receive any dividends unless Investor Consent has been obtained

**6 Share Rights (Capital)**

6 1 On a return of assets (whether on liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be applied and shall belong to and be distributed amongst the Equity Shareholders as if the return of capital constituted a Share Sale to which the provisions of Article 9.1 applied

6 2 If in applying the provisions of Article 6.1 it will only be possible to make a return of capital in relation to some but not all of a particular class of Shares, the amount available will be divided amongst the Holders of Shares of that class pro rata (as nearly as possible) to the number of Shares of that class held by them. This shall not in any way affect the order of priority set out in Article 9.1 which shall be applied

**7 Share Rights (Voting)**

7 1 Subject to any special rights or restrictions as to voting attached to any Share by, or in accordance with, these articles, and specifically subject to article 7.4 below

- (a) on a show of hands at a general meeting every Equity Shareholder (save for the Holders of the Shares specified at article 7.4 below) and every D Ordinary Shareholder who (being an individual) is present in person or by one or more proxies or (being a corporation) is present by one or more duly authorised representatives or proxies, shall have one vote, and
- (b) on a vote on

- (i) a resolution on a poll taken at a general meeting, or
- (ii) a written resolution,

every Equity Shareholder (save for F Ordinary Shareholders) and every D Ordinary Shareholder shall (subject to Articles 7 2 and 7 3) have one vote for every Equity Share and D Ordinary Share he holds

7 2 If a Specified Event has occurred and remains subsisting and/or has not been remedied to the Investor Majority's satisfaction, the Investor Majority may deliver a notice in Writing (a **"Voting Adjustment Notice"**) to that effect to the Company, the voting rights attaching to the A1 Ordinary Shares shall be amended with effect from the date of that Voting Adjustment Notice so that on a poll every A1 Ordinary Shareholder who (being an individual) is present in person or by one or more proxies or (being a corporation) is present by one or more duly authorised representatives or by proxies, has 100,000 votes for every A1 Ordinary Share held by him until the date upon which the Specified Event no longer subsists

7 3 If the Investors (by an Investor Direction) so direct, any Share

- (a) currently the subject of a Transfer Notice other than in respect of a Good Leaver, or
- (b) held by a Shareholder in relation to whom a Transfer Event has occurred other than in respect of a Good Leaver, or
- (c) held by a Shareholder who acquired such Share by way of transfer from a Shareholder in accordance with Article 12 2(c) below in relation to whom a Transfer Event has occurred other than if the relevant Shareholder is a Good Leaver,

shall not confer the right to receive notice of, attend or vote at any general meeting of the Company (or meeting of any class of Shareholder) and that Share shall not

- (i) be counted
  - (1) in determining the total number of votes which may be cast at that meeting,
  - (2) for the purposes of a written resolution, or
  - (3) for the purposes of a written consent of any Shareholder or class of Shareholders, or
- (ii) entitle the Shareholder who holds that Share to participate in any allotment of Shares pursuant to Article 10

7 4 F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and Deferred Shares shall not confer on the Holders thereof the right to receive notice of, attend or vote at any general meeting of the Company and neither do they entitle the Shareholders who hold such Shares (in respect of such shareholding) to participate in any allotment of Shares pursuant to Article 10

**8 Share rights (redemption)**

- 8 1 Subject to the provisions of the Act, the B Ordinary Shareholders and the C Ordinary Shareholders may require the Company to redeem, some or all of their B Ordinary Shares or C Ordinary Shares (as the case may be) at any time
- 8 2 A B Ordinary Shareholder or a C ordinary Shareholder shall give notice in writing to the Company 10 Business Days prior to the date of any proposed redemption confirming the number of their B Ordinary Shares or C Ordinary Shares (as the case may be) to be redeemed and the proposed date of redemption (a "**Redemption Date**")
- 8 3 On redemption of any B Ordinary Shares, the Company shall pay to each B Ordinary Shareholder an amount of £3 77 per B Ordinary Share held by them and on redemption of any C Ordinary Shares the Company shall pay to each C Ordinary Shareholder an amount of £10 55 per C Ordinary Share held by them and, so that the relevant B Ordinary Shares or C Ordinary Shares (as the case may be) may be cancelled, each B Ordinary Shareholder and/or C Ordinary Shareholder shall surrender to the Company the certificate for his B Ordinary Shares or C Ordinary Shares (as the case may be) which are to be redeemed. If any certificate surrendered includes any B Ordinary Shares or C Ordinary Shares not redeemable at that time, the Company shall issue to the relevant B Ordinary Shareholder or C Ordinary Shareholder (as the case may be) a fresh certificate for the balance of the B Ordinary Shares and /or C Ordinary Shares not redeemable
- 8 4 If on any Redemption Date the Company cannot comply with the provisions of the Act relating to redemption the B Ordinary Shares and/or C Ordinary Shares due to be redeemed shall be redeemed as soon as the Company is able so to comply
- 8 5 The provisions of this Article 8 are subject to the provisions of Article 21
- 8 6 Where any redemption payment is not made because of the provisions of Article 21 that redemption payment shall be made on the necessary consent being obtained or the prohibition on it ceasing to apply

**9 Proceeds of an Event**

- 9 1 On a Share Sale, the Shareholders shall (except with Investor Consent) pay the Equity Proceeds into a joint account at a UK clearing bank (nominated by the Investor Majority immediately prior to completion of the Share Sale) and the Equity Proceeds shall be allocated and paid to the Shareholders as follows
- (a) first, in paying to the A1 Ordinary Shareholders an amount equal to the A1 Return pro rata to the number of A1 Ordinary Shares held by them,
  - (b) second, in paying to the holders of D Ordinary Shares an amount equal to twice the Issue Price of each D Ordinary Share held by each holder
  - (c) third, in paying to the holders of the Deferred Shares (if any) an amount equal to the Issue Price of each Deferred Share held by each holder, and



- (d) thereafter, the balance amongst the holders of the Shares the subject of the Share Sale (other than the D Ordinary Shares and the Deferred Shares) in accordance with the provisions of article 9 4

Subject to article 9 6 below, no distribution will be made until the provisions of articles 9 2 below to 9 4 below have been applied

- 9 2 In the event that there will be Equity Proceeds on a Share Sale remaining after such sums as are referred to in articles 9 1(a), 9 1(b) and 9 1(c) have been allocated and paid, a number of the Equity Shares held by any holder and which are the subject of a Share Sale determined in accordance with article 9 4 shall, immediately prior to but conditional upon completion of a Share Sale, automatically convert into the same number of Deferred Shares Any conversion of Equity Shares pursuant to this article 9 2 shall take place without any resolution of the directors or shareholders of the Company (the date of such conversion being the "**Conversion Date**") To the extent required to do so, the Company and all holders of Shares shall do all acts necessary (to the extent lawfully able) to procure the conversion The number of Equity Shares to convert prior to a Share Sale shall be calculated in accordance with article 9 4
- 9 3 Each holder of Equity Shares which are to convert pursuant to Article 9 2 shall deliver the certificate(s) for those Equity Shares (or an indemnity in a form reasonably satisfactory to the Company in respect of any missing share certificate) to the Company on or before the Conversion Date On the Conversion Date the Company shall issue to the persons entitled thereto certificates for the Deferred Shares arising on conversion The Deferred Shares arising on conversion shall rank *pari passu* in all respects with the issued Deferred Shares (if any and as appropriate)
- 9 4 The number of Equity Shares which shall convert into Deferred Shares pursuant to Article 9 2 shall be such number as will result in the different classes of Equity Shares the subject of the Share Sale following such conversion comprising such number of the issued Equity Shares, or as the case may be such percentage of the issued Equity Shares, which would, upon a distribution of the Equity Proceeds amongst the holders of such Equity Shares in accordance with Article 9 1 above return to the holders of such Equity Shares in respect of their holding of Equity Shares the subject of the Share Sale the amounts referred to in articles 9 1(a), 9 1(b) and 9 1(c) and for the purposes of Article 9 1(d) that proportion of the Equity Proceeds which they would have received if the Equity Proceeds had been allocated as follows

(1) Equity Proceeds	(2) Allocation
An amount up to and including £20,445,000	Pro rata to the holders of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and E Ordinary Shares <i>pari passu</i> as if one class of share
An amount being more than £20,445,000 but equal to or less than £30,445,000	Pro rata to the holders of the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares, E Ordinary Shares, F Ordinary Shares

(1) Equity Proceeds	(2) Allocation
PLUS Equity Dividends	and G Ordinary Shares pari passu as if one class of share
An amount being more than £30,445,000 PLUS Equity Dividends, but equal to or less than £80,445,000	60% to be allocated to the holders of A Ordinary Shares pari passu as if one class of share  40% to be allocated to the holders of the B Ordinary Shares, C Ordinary Shares, E Ordinary Shares, F Ordinary Shares, H Ordinary Shares and J Ordinary Shares pari passu as if one class of share
An amount being more than £80,445,000	0.93% to be allocated to the holders of the I Ordinary Shares,  56.559% to be allocated to the holders of A1 Ordinary Shares pari passu as if one class of share,  2.511% to be allocated to the holders of A2 Ordinary Shares pari passu as if one class of share, and  40% to be allocated to the holders of the B Ordinary Shares, C Ordinary Shares, E Ordinary Shares, F Ordinary Shares and J Ordinary Shares pari passu as if one class of share,

- 9.5 Any conversion of Shares shall be on a pro rata basis amongst the holders of those classes (pari passu as if one class of Share) such that following any conversion, each holder shall hold as a proportion of the class of Shares held by him prior to the conversion, such number of Shares as is equal to the proportion of that class of Shares which that holder held prior to the conversion
- 9.6 Subject to Article 9.8, the provisions of Articles 9.2 (and in relation thereto, Articles 9.3 and 9.4) shall not apply on or after a Listing
- 9.7 In the case of a Share Sale the consideration which is not payable in cash or which is payable in a combination of cash and any other form of consideration, such consideration shall be allocated amongst the members in order to ensure that the Equity Proceeds are allocated between the members in the same proportions as the provisions of Articles 9.1 to 9.4 provide

9 8 Immediately prior to and conditionally upon the first Listing to occur, the holders shall enter into such reorganisation of the share capital of the Company as they may agree or, in default, as an Expert may reasonably specify, to ensure that the Equity Proceeds are or would be reallocated between the members in the same proportions as the provisions of Articles 9 1 to 9 4 would provide on a Share Sale in an amount equal to the Equity Proceeds

## 10 Issue of Shares

10 1 By virtue of section 567(1) of Act, the provisions of sections 561 and 562 of the Act shall not apply to an allotment made by the Company of Equity Securities

10 2 In this Article 10, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares and J Ordinary Shares shall not be treated as Equity Shares and Holders of such Shares shall not be considered Equity Shareholders (in respect of such shareholding)

10 3 No shares of any class may be allotted by the Company unless (i) Investor Consent has been obtained prior to such allotment and, subject to Article 10 4 below, (ii) they are first offered to all holders of Equity Shares in proportion as nearly as possible to the numbers of Equity Shares held by them (but the Company does not have to make an offer under this Article 10 3 if, and for so long as a Specified Event is subsisting, or to the extent the provisions of clauses 13 1 to 13 3 (inclusive) of the Investment Agreement apply)

10 4 Where a proposed allotment pursuant to Article 10 3 above also involves the provision of funding to any Group Company in more than one form, each Shareholder who exercises his right under Article 10 3 above to be issued Shares shall be required to acquire (from the relevant Group Company or (at the discretion of the Investor Majority) from any of the holders of A1 Ordinary Shares) the same proportion of each type of funding instrument to be issued

10 5 For the purposes of an offer made under Article 10 3

- (a) the Equity Shares shall be treated as one class and the Equity Shareholders who accept any Equity Securities so offered shall be entitled to indicate that they would accept Equity Securities that have not been accepted by other Equity Shareholders (the "**Excess Securities**") on the same terms as originally offered to all Equity Shareholders,
- (b) any Excess Securities shall be allotted to those Equity Shareholders who have applied for any of them in proportion to the number of Equity Shares then held by them respectively and without allocating to any Equity Shareholder a greater number of Excess Securities than the maximum number applied for by that Equity Shareholder and any remaining Excess Securities shall be allocated by applying this Article 10 5(b) without taking account of any Equity Shareholder whose application has already been fully satisfied, and
- (c) any Excess Securities not allotted or not capable of being allotted as specified above except by way of fractions shall be under the control of the Directors, who may (with Investor Consent) allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit, provided that those

Excess Securities shall not be disposed of on terms which are more favourable than the terms on which they were offered to the Equity Shareholders

- 10 6 If a Specified Event is subsisting and subject to the terms of the Investment Agreement, the Investor Majority may require the Company, by way of notice in Writing, to issue such number and class of Shares to the holders of A1 Ordinary Shares in such proportions as the Investor Majority directs to provide additional funding to the Group ("**Emergency Fundraising**") PROVIDED THAT within 30 Business Days of completing that Emergency Fundraising, each other Shareholder may serve notice in writing on the Company requiring the Company (subject to Articles 10 7 and 10 8) to issue to him such number of additional Shares of the class then held by him (or, if a new class of Shares has been created as part of the Emergency Fundraising, of that new class) required to give him the same percentage of the equity share capital of the Company as he held immediately prior to completion of the Emergency Fundraising
- 10 7 The requirement to issue Shares to the other Shareholders pursuant to Article 10 6 above following an Emergency Fundraising may be satisfied by the transfer of Shares to such other Shareholders from the holders of A1 Ordinary Shares
- 10 8 Where the Emergency Fundraising also involves the provision by the Investors of funding to any Group Company in more than one form, each other Shareholder who exercises his right under Article 10 6 above to be issued Shares shall be required to acquire (from the relevant Group Company or (at the discretion of the Investor Majority) from any of the holders of A1 Ordinary Shares) the same proportion of each type of funding instrument issued to the holders of A1 Ordinary Shares
- 10 9 The price at which a Shareholder will be entitled to acquire any Share or other security pursuant to Article 10 6 above or Article 10 8 shall be the price paid by the holders of A1 Ordinary Shares for that Share or security pursuant to the Emergency Fundraising
- 10 10 Subject to this Article 9, the directors of the Company are hereby authorised pursuant to section 551 of the CA 2006 generally and unconditionally to exercise all the powers of the Company to allot Shares and to grant rights to subscribe for or to convert any security into such Shares, but so that
- (a) this authority shall expire on the day immediately preceding the fifth anniversary of the Adoption Date (though the Directors may, after that period, allot any Shares under this authority in pursuance of an offer or agreement so to do made by the Company within that period),
  - (b) the maximum amount of Shares that may be allotted under this authority, other than Shares issued pursuant to Article 10 6 above which shall have no maximum, are Shares which (when aggregated with each Share already in issue on the adoption of these Articles) have an aggregate nominal value equal to £101 57, and
  - (c) this authority may at any time (subject to section 551 of the Act) be renewed, revoked or varied by Special Resolution with Investor Consent

- 10 11 Notwithstanding anything herein to the contrary, the provisions in Articles 10 3 to 10 5 (inclusive) shall not apply to any issue of Deferred Shares (or to the issue of D Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares or J Ordinary Shares where Investor Consent has been obtained)

## **11 Share Transfers**

- 11 1 The Directors shall only refuse to register a transfer of Shares if they are specifically required or authorised to do so by these articles. If the Directors do refuse to register a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant Transfer Form was lodged with the Company, return that Transfer Form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent
- 11 2 The Directors shall refuse to register any transfer of Shares made in contravention of the provisions of these articles
- 11 3 Any transfer of Shares made or purported to be made in contravention of the provisions of these articles shall be of no effect
- 11 4 Except for a transfer pursuant to Articles 12 to 15 (inclusive), no Shares may be transferred unless
- (a) an Investor Consent has been obtained, and
  - (b) (except as otherwise required pursuant to the Investment Agreement) the proposed transferee has entered into an agreement to be bound by the Investment Agreement in the form required by the Investment Agreement
- 11 5 Shares shall be transferred by means of a Transfer Form
- 11 6 No fee may be charged for registering any Transfer Form or other document relating to or affecting the title to any Shares
- 11 7 The Company may retain any Transfer Form which is registered
- 11 8 The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it

## **12 Permitted Transfers**

### **12 1 Permitted Transfers by Investors**

Notwithstanding any other provision of these articles, the following transfers of Shares may be made without restriction and any such transfers shall be registered by the Directors (subject only to stamping)

- (a) any Investor Shares held by a company may be transferred to its ultimate holding company or any other company controlled, directly or indirectly, by it or its ultimate holding company provided that the transferee gives an undertaking to the Company that, if it ceases to be controlled, directly or indirectly, by the original Shareholder or

that ultimate holding company, the transferee will, immediately prior to it so ceasing, transfer those Investor Shares to another company so controlled (and for the purposes of this Article 12 1(a) "control" has the same meaning as in section 1124 of CTA),

- (b) any Investor Shares may be transferred by the Initial Investors (or their permitted transferees) to
  - (i) the holders of units in, or a nominee of trustee for the holder of units in or partner in or members of or investors in the Initial Investors providing that the transferees undertake that if it ceases to be a holder of units in or a nominee or trustee for the holder of units in or partner in or member and/or investor in the Initial Investors, the transferees shall transfer the Shares to another such holder, nominee, member and/or investor as the case may be,
  - (ii) a fund which is managed on a bona fide arm's length basis by the same manager as the transferor
- (c) subject to sub-Article 11 1(b) above, any Investor Shares held by a unit trust, partnership, other unincorporated association or fund (whether a body corporate or otherwise) may (with Investor Consent) be transferred or disposed of to the holder or holders of units in that unit trust, partners in that partnership, members of that unincorporated association or investors in that fund from time to time or to trustees for any such person and
- (d) any Investor Shares may be transferred by the Initial Investors (or their permitted transferees) to NorthEdge Capital LLP or any fund, partnership, trust, limited partnership, limited liability partnership or otherwise, managed by NorthEdge Capital LLP

## **12 2 Other Permitted Transfers**

### **(a) Syndication**

Subject always to prior compliance with the tag along right contained in Article 15, and the prior consent of the Board, the A1 Shareholders may transfer Shares to any other Institutional Investors provided that no such transfer shall be permitted pursuant to this Article 11 to the extent that it would result in the Initial Investors (together with any permitted transferee pursuant to Article 11 1, holding less than 70% of the A1 Shares)

### **(b) Transfers to the Company**

Any Shareholder may at any time (with Investor Consent) transfer any Shares to the Company in accordance with the Act and these articles

(c) **Transfers with Investor Consent**

Subject to Articles 14 and 15 but notwithstanding any other provisions of these articles any transfer of Shares (other than A1 Shares) made with Investor Consent may be made without restriction

(d) **Transfers Pursuant to an Event or Article 14 or 15**

Notwithstanding any other provision of these articles, any transfer of Shares made in accordance with an Event, Article 14 or Article 15 shall be registered by the Directors (subject only to stamping)

**12 3 Restrictions on Permitted Transfers**

No transfer of Shares may be made pursuant to Articles 12 1 or Article 11 2(a) or (b) after service of a Drag Notice or a Tag Notice until that notice has expired

**13 Mandatory Transfers**

13 1 In this article 12, a "**Transfer Event**" means, in relation to any Shareholder save for the Investors

- (a) an individual becoming bankrupt, and/or
- (b) making any arrangement or composition with his creditors generally, and/or
- (c) becoming a Leaver, and/or
- (d) attempting to deal with or dispose of any Share or any interest in it otherwise than in accordance with these Articles or the Investment Agreement, and/or
- (e) an individual dying

13 2 Within the 6 month period commencing on the date of a Transfer Event (which for a Transfer Event under Article 12 1(c) shall be the relevant Leaving Date) ("**Transfer Event Date**"), the Investors may (by an Investor Direction) direct the Company immediately to serve a notice on the relevant Shareholder and any other holder of any Mandatory Transfer Shares (a "**Mandatory Seller**"), notifying him that he is, with immediate effect, deemed to have served on the Company one or more Transfer Notices in respect of such number and class of his Mandatory Transfer Shares as is specified in the Investor Direction (which in the case of Mandatory Transfer Shares which are B Ordinary Shares shall be no more than 75% of such B Ordinary Shares) (the "**Sale Shares**")

13 3 Except as otherwise set out in these articles, the Sale Price shall be

- (a) subject to Article 13 3(c) below, where a Transfer Event under Article 13 1(c) above has occurred (save where the Mandatory Seller is a Holder of F Ordinary Shares) or J Ordinary Shares
  - (i) if the Mandatory Seller is a Bad Leaver, the Bad Leaver Price,
  - (ii) if the Mandatory Seller is a Very Bad Leaver, the Very Bad Leaver Price,

- (iii) if the Mandatory Seller is a Good Leaver, the Fair Price,
- (b) if the Mandatory Seller is a Holder of F Ordinary Shares or J Ordinary Shares, the Bad Leaver Price,
- (c) in the case of Deferred Shares, their Issue Price,
- (d) in any other case, the Fair Price

**13 4 If the Fair Price is to be determined by an Expert**

- (a) the Company shall immediately instruct the Expert to determine the Fair Price on the basis which, in the Expert's opinion, represents a fair price for the Sale Shares at the Transfer Event Date as between a willing seller and a willing buyer and in making that determination, the Expert shall ignore the fact that the Sale Shares represent (if that is the case) a minority interest in the share capital of the Company and can be subject to the compulsory transfer requirements of this Article 13 and Article 14), and each D Ordinary Share in issue shall be valued at its Issue Price,
- (b) the Expert shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply,
- (c) the certificate of the Expert shall, in the absence of manifest error, be final and binding, and
- (d) the Company shall procure that any certificate required pursuant to this Article 13 4 is obtained as soon as possible and the cost of obtaining that certificate shall be borne by the Company unless
  - (i) such an arrangement would be unlawful, or
  - (ii) the Fair Price as determined by the Expert is the same as, or within 10% of, that price (if any) which the Company had previously notified to the Mandatory Seller as being in its opinion the fair price for the Sale Shares, in which case the cost shall be borne by that Mandatory Seller

**13 5** The Investors may, after prior consultation with the Board, within 30 days of the Start Date, (and by an Investor Direction) direct the Company to offer at the Sale Price such number of the Sale Shares to such person or persons (being the Company or an Employee Trust or a person or persons intended to take the place of the Mandatory Seller or an existing Employee) (each an "**Offeree**") as may be specified in that Investor Direction. If an Offeree applies for any of those Sale Shares within six weeks after the Start Date, the Company shall (with Investor Consent) within seven days after receipt of that application, allocate to that Offeree the number of Sale Shares applied for. If all of the Sale Shares are so allocated, the provisions of Articles 13 6 and 13 7 shall not apply. If none or some only of the Sale Shares are so allocated, all the remaining provisions of this Article 13 shall have effect.

**13 6** The Company shall



(a) (if an Investor Direction has not been given pursuant to Article 13 5) on the day which is 31 days after the Start Date, or

(b) (if an Investor Direction has been given pursuant to Article 13 5) on the day immediately following the expiry of the six week period referred to in Article 13 5,

(or, if that day is not a Business Day, on the next Business Day) give notice in Writing (the "**Offer Notice**") to all Eligible Shareholders, offering for sale at the Sale Price the Sale Shares that have not been allocated pursuant to Article 13 5 (the "**Available Shares**")

The Offer Notice shall specify that those Eligible Shareholders shall have a period of 25 days from the date of the Offer Notice (the "**Acceptance Period**") within which to apply for some or all of the Available Shares

13 7 On the expiry of the Acceptance Period the Company shall allocate the Available Shares as follows

(a) if the total number of Available Shares applied for is equal to or less than the total number of Available Shares, each Eligible Shareholder offered Available Shares in accordance with Article 12 6 above shall be allocated the number of Available Shares he applied for, or

(b) if the total number of Available Shares applied for is greater than the total number of Available Shares, the Available Shares shall be allocated to the Eligible Shareholders offered Available Shares in accordance with Article 12 6 above in proportion (as nearly as possible without involving fractions) to their existing holdings of Shares (but ignoring the D Ordinary Shares, F Ordinary Shares, G Ordinary Shares, H Ordinary Shares, I Ordinary Shares, J Ordinary Shares and the Deferred Shares for these purposes and without allocating to any Eligible Shareholder a greater number of Available Shares than the maximum number applied for by him) and any remaining Available Shares shall be allocated by applying this Article 13 7(b) without taking account of any Eligible Shareholder whose application has already been satisfied in full

13 8 Allocations of Sale Shares made by the Company pursuant to this Article 13 shall constitute the acceptance by any Offeree and any Eligible Shareholders to whom they are allocated (each an "**Allocated Person**") of the offer to sell those Sale Shares on the terms offered to them (provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase)

13 9 The Company shall immediately on allocating any Sale Shares, give notice in Writing (each a "**Sale Notice**") to the Mandatory Seller and to each Allocated Person of the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for them. Completion shall take place within five days after the date of the Sale Notices. On Completion

(a) each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Sale Shares

- (i) to the Mandatory Seller, or
    - (ii) if the Mandatory Seller is not present at Completion, to the Company to be held on trust (without interest) for the Mandatory Seller (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it)),
  - (b) if the Company is an Allocated Person, it shall
    - (i) pay the purchase price for the relevant Sale Shares to the Mandatory Seller, or
    - (ii) if the Mandatory Seller is not present at Completion, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Mandatory Seller, and
  - (c) the Mandatory Seller shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates
- 13 10 If the Mandatory Seller defaults in transferring any Sale Shares to an Allocated Person pursuant to Article 13 9, the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Mandatory Seller to execute a Transfer Form for those Sale Shares in the name, and on behalf, of the Mandatory Seller (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article 13) and, when that Transfer Form has been duly stamped
- (a) where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the Holder of those Sale Shares, and
  - (b) where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with the Act,
- and after that the validity of the proceedings shall not be questioned by any person
- 13 11 Any money held on trust by the Company for the Mandatory Seller in respect of any Sale Shares shall only be released to the Mandatory Seller on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons
- 13 12 If not all of the Sale Shares are sold under the provisions of Articles 13 5 to 13 11 (inclusive), the Company shall (immediately on the exhaustion of those provisions) notify the Mandatory Seller who shall not be entitled to sell or otherwise transfer any of the remaining Sale Shares save with Investor Consent
- 14 **Drag Along**
- 14 1 Subject to Article 13 2, if the Investor Majority want to transfer all their Equity Shares (the "**Relevant Shares**") on arms' length terms to a purchaser (a "**Purchaser**") they shall have the option (the "**Drag Option**") to require the other Equity Shareholders and holders of D Ordinary Shares and the holders of Deferred Shares (the "**Dragged Shareholders**") to

transfer all their Equity Shares and D Ordinary Shares and Deferred Shares (the "**Dragged Shares**") in accordance with this Article 14

14.2 To exercise the Drag Option the Investor Majority shall give an irrevocable notice in Writing (the "**Drag Notice**") to the Dragged Shareholders. The Drag Notice shall specify

- (a) that the Dragged Shareholders are required to transfer their Dragged Shares to the Purchaser,
- (b) the price receivable by the Investor Majority for the Relevant Shares (including details of any non-cash consideration (the "**Non-Cash Consideration**") receivable by the Investor Majority (or any of them) 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 Relevant Shares (or any of them)),
- (c) the price the Dragged Shareholders will receive for each Dragged Share (the "**Drag Price**") and details of how that price has been calculated (which will demonstrate compliance with the provisions of Article 9,
- (d) the name of the Purchaser, and
- (e) the proposed date for completion of the transfer of the Relevant Shares and the Dragged Shares (which shall be at least seven days after the date of the Drag Notice)

14.3 The Drag Price shall be equal to the price per Relevant Share receivable by the Investor Majority (including the cash equivalent of any Non-Cash Consideration). Any dispute about the calculation of the Drag Price shall immediately be referred to an Expert (whose decision shall, in the absence of manifest error, be final and binding) and pending its determination neither the Relevant Shares nor the Dragged Shares shall be transferred to the Purchaser.

14.4 Unless the Investor Majority and the Dragged Shareholders agree otherwise, the transfer of the Relevant Shares and the Dragged Shares (including payment of the consideration) shall take place on the same day.

14.5 The Company is unconditionally and irrevocably authorised to appoint any person as agent of each Dragged Shareholder to execute the required Transfer Forms for the Dragged Shares in the name and on behalf of that Dragged Shareholder and to do such other things as are necessary to transfer the Dragged Shares pursuant to this Article 14.

14.6 The provisions of this Article 14 shall prevail over any contrary provisions of these articles. Any Transfer Notice deemed served in respect of any Shares shall automatically be revoked by the service of a Drag Notice.

## 15 **Tag Along**

15.1 Without prejudice to Article 14 and subject to Articles 12 and 14, the Initial Investors or any of its permitted transferees, assignees or successors (the "**Selling Shareholder**") may not transfer more than 50% of the A1 Ordinary Shares held by them to any person (the "**Proposed Transferee**") unless before that transfer is made the Proposed Transferee has

made a bona fide offer (the "**Tag Offer**") to the Equity Shareholders (other than the Selling Shareholders) (the "**Uncommitted Shareholders**") in accordance with this Article 15 to purchase the same proportion of Equity Shares from the Uncommitted Shareholders as the Selling Shareholders are proposing to transfer to the Proposed Transferee (relative to their existing Shareholding and including any Equity Shares which may be allotted to any of them pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into Shares, in existence at the date of the Tag Notice) (the "**Uncommitted Shares**")

- 15 2 The Tag Offer shall be made by notice in Writing (the "**Tag Notice**") and shall specify
- (a) the price the Uncommitted Shareholders will receive for each Uncommitted Share (the "**Tag Price**") and details of how that price has been calculated (which will demonstrate compliance with the provisions of Article 9, and
  - (b) the date by which each Uncommitted Shareholder must accept the Tag Offer (which shall be at least 21 days after the date of the Tag Notice) (the "**Close Date**")
- 15 3 Any Uncommitted Shareholder who has not accepted the Tag Offer by the Close Date shall be deemed to have rejected the Tag Offer
- 15 4 The Tag Price shall be equal to the highest price paid or payable by the Proposed Controller (or any Interested Shareholder) for any Equity Share (including the cash equivalent of any non-cash consideration paid or payable 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 that Equity Share) Any dispute about the calculation of the Tag Price shall be immediately referred to an Expert (whose decision shall, in the absence of manifest error, be final and binding) and pending its determination the Controlling Shares shall not be transferred to the Proposed Controller
- 15 5 Each accepted Tag Offer shall be completed and the consideration in respect of it paid (except insofar as failure to complete is due to the fault of the relevant Uncommitted Shareholder) before any of the Controlling Shares are transferred to the Proposed Controller
- 15 6 For the purpose of Article 15 1 the expression "**transfer**" shall include the renunciation of a renounceable letter of allotment
- 16 **Compliance**
- 16 1 For the purpose of ensuring compliance with the provisions of Articles 12 to 15 (inclusive), the Directors shall immediately (on an Investor Direction) and may (with Investor Consent) require any Leaver or other Shareholder to procure (to the extent he is able) that
- (a) he,
  - (b) any proposed transferee of any Shares, or
  - (c) such other person as is reasonably believed to have information and/or evidence relevant to that purpose,

provides to the Directors any information and/or evidence relevant to that purpose and until that information and/or evidence is provided the Directors shall refuse to register any relevant transfer of Shares (except with Investor Consent)

**17 Quorum for General Meetings**

17 1 No business, other than the appointment of the Chairman of the Meeting, is to be transacted at a general meeting if the persons attending it do not constitute a quorum

17 2 Subject to Article 74 7, two Qualifying Persons in attendance at a general meeting are a quorum, unless

- (a) each is a Qualifying Person only because he is authorised under section 323 of the Act to act as the representative of a company in relation to that meeting and they are representatives of the same company,
- (b) each is a Qualifying Person only because he is appointed as proxy of a Shareholder in relation to that meeting and they are proxies of the same Shareholder, or
- (c) the Qualifying Persons present do not include (whether in person, by proxy, or (in the case of a corporation) by a duly authorised representative) one or more A1 Ordinary Shareholders who in aggregate hold more than 50% of the A1 Ordinary Shares

**18 Quorum for Directors' Meetings**

18 1 At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting

18 2 The quorum for Directors' meetings is two and shall (except with Investor Consent) include an Investor Director (if appointed) In the event that a Directors' meeting is attended by a Director who is the Alternate of one or more other Directors, the Director or Directors for whom he is the Alternate shall be counted in the quorum notwithstanding their absence, and if on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one Director is physically present

18 3 If a quorum is not present at a duly convened meeting of the Directors, that meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day and at such other time and place as the Directors may agree in Writing) and at such adjourned meeting the quorum shall be those Directors then present

**19 Voting at Directors' Meetings**

19 1 Subject to Article 19 2 and the other provisions of these articles, each Director Participating in a Directors' meeting has one vote on each proposed resolution

19 2 If a Specified Event has occurred and a Voting Adjustment Notice has been given and not cancelled, then (notwithstanding any other provision of these articles)

- (a) if an Investor Director votes against any resolution put to a Directors' meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it, and

- (b) if an Investor Director votes in favour of any resolution put to a Directors' meeting, that resolution shall be deemed to have been carried notwithstanding that the number of votes cast against it exceeds those cast in its favour

**20 Chairman**

20 1 If the Chairman ceases for whatever reason to be a Director, the Board shall (with Investor Consent) within three months of that cessation appoint, as a replacement, another non-executive Director as the Chairman. If no such replacement Chairman is appointed within this period, notwithstanding the preceding provisions of this Article 19 1, the Investor Majority shall have the right, by written notice to the Company, to appoint such a replacement

20 2 An Investor Director shall act as the Chairman during the period or periods when no Chairman is otherwise appointed pursuant to this Article 20

20 3 The Chairman (unless an Investor Director) shall be entitled to receive an annual fee from the Company (as agreed with the Investor Majority at the time of his appointment) together with all expenses reasonably incurred by him in connection with his office as a Director

20 4 The Investor Majority may terminate the Chairman's appointment at any time

**21 Priority of Intercreditor Deed and banking facility agreements**

Notwithstanding any other provision of these articles, no payment shall be declared or made by the Company by way of dividend or other distribution, purchase, redemption, reduction or return of capital or by addition to or repayment of any dividend reserve if and to the extent that such payment is prohibited or restricted by the terms of the Intercreditor Deed or any banking facility agreement. No dividends or other distributions payable in respect of any Share, whether pursuant to the provisions of these articles or otherwise, shall constitute a debt enforceable against the Company unless permitted to be paid in accordance with the Intercreditor Deed or any banking facility agreement (but without prejudice to the accrual of interest for late payment in accordance with the terms of these articles)

**PART 3 – GENERAL PROVISIONS**

**22 Model Articles Shall Not Apply**

Neither the model articles for private companies limited by shares prescribed pursuant to the Act, nor any other articles of association (whether prescribed pursuant to the Act or set out in any other statute, statutory instrument or other subordinate legislation concerning companies) shall apply to the Company

**23 Liability of Shareholders**

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

**24 Directors' General Authority**

Subject to the other provisions of these articles, the Directors are responsible for the management of the Company's business, for which purpose they may exercise all the powers of the Company

**25 Shareholders' Reserve Power**

25 1 The Shareholders may (with Investor Consent) by Special Resolution, direct the Directors to take, or refrain from taking, specified action

25 2 No Special Resolution passed pursuant to Article 25 1 invalidates anything which the Directors have done before the passing of that resolution

**26 Directors May Delegate**

26 1 Subject to the other provisions of these articles, the Directors may (with Investor Consent) delegate any of the powers which are conferred on them under these articles

- (a) to such person or committee,
- (b) by such means (including by power of attorney),
- (c) to such an extent,
- (d) in relation to such matters or territories, and
- (e) on such terms and/or conditions,

as they think fit

26 2 If the Directors so specify, any delegation pursuant to Article 26 1 may (with Investor Consent) authorise further delegation of the Directors' powers by any person to whom they are delegated

26 3 The Directors may (with Investor Consent) at any time revoke any delegation made pursuant to Article 26 1 in whole or part, or alter its terms and/or conditions

**27 Committees of Directors**

27 1 Committees to which the Directors delegate any of their powers must include an Investor Director (if appointed) and must follow procedures which are based (as far as they are applicable) on those provisions of these articles which govern the taking of decisions by Directors

27 2 The Directors may (with Investor Consent) make rules of procedure for all or any committees, which shall prevail over rules derived from these articles if they are not consistent with them

**28 Directors to Take Decisions Collectively**

The general rule about decision-making by Directors is that any decision of the Directors must be either a Majority Decision or a Unanimous Decision

## 29 **Unanimous Decisions**

29 1 A decision of the Directors is a unanimous decision (a "**Unanimous Decision**")

- (a) if all Eligible Directors indicate to each other by any means that they share a common view on a matter, and
- (b) had the matter in question been proposed as a resolution at a Directors' meeting, the Eligible Directors would have formed a quorum at that meeting

29 2 A Unanimous 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)

## 30 **Calling a Directors' Meeting**

30 1 Any Director may call a Directors' meeting by giving notice of that meeting to the Directors or by authorising the company secretary (if any) to give such notice

30 2 Notice of any Directors' meeting must indicate

- (a) its proposed date and time,
- (b) where it is to take place, and
- (c) if it is anticipated that the Directors Participating in that meeting will not be in the same place, how it is proposed that they should communicate with each other during that meeting

30 3 Notice of a Directors' meeting must be given to each Director at any address in the United Kingdom supplied by him to the Company for that purpose (whether or not he is present in the United Kingdom) but shall be in Writing

30 4 Notice of a Directors' meeting need not be given to any Director who waives his entitlement to notice of that meeting by giving notice to that effect to the Company either before or not more than seven days after the date on which that meeting is held. Where such notice is given after the relevant meeting has been held, that does not affect the validity of that meeting or of any business conducted at it

## 31 **Participation in Directors' Meetings**

31 1 Subject to the other provisions of these articles, Directors participate ("**Participate**") in a Directors' meeting, or part of a Directors' meeting, when they can each communicate to the others any information or opinions they have on any particular item of the business of that meeting (and for these purposes it is irrelevant where any Director is or how they communicate with each other)

31 2 If all the Directors Participating in a Directors' meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is

31 3 Subject to Article 31 4, if a question arises at a Directors' meeting or a meeting of a committee of Directors as to the right of any Director to vote or count in the quorum at that meeting (or



part of that meeting), the question may, before the conclusion of that meeting, be referred to the Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive

- 31 4 If a question arises at a Directors' meeting or a meeting of a committee of Directors as to the right of the Chairman to vote or count in the quorum at that meeting (or part of that meeting), that question is to be decided by a decision of the Directors Participating at that meeting (provided that in relation to that question, the Chairman is not entitled to vote or count in the quorum)

32 **Number of Directors**

The number of Directors shall not be less than two

33 **Chairing of Directors' Meetings**

If the Chairman is not Participating in a Directors' meeting within 10 minutes of the time at which it was to start, an Investor Director will chair it

34 **Chairman's Casting Vote**

If at any Directors' meeting the numbers of votes for and against a proposal are equal, the Chairman (or other Director chairing the meeting) does not have a casting vote

35 **Situational Conflicts of Interest**

- 35 1 Subject to the other provisions of these articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this Article 35 (and with Investor Consent), authorise any matter which would, if not authorised, result in a Director (the "**Conflicted Director**") being in breach of his duty under section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict**")

- 35 2 An authorisation given under Article 35 1 (an "**Authorisation**") (and any subsequent variation or termination of that Authorisation) will only be effective if

- (a) any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested Director), and
- (b) the matter was agreed to without the Conflicted Director (or any other interested Director) voting or would have been agreed to if his (or any other interested Director's) vote had not been counted

- 35 3 The Directors may (with Investor Consent) at any time

- (a) make any Authorisation subject to such terms and conditions as they think fit, and
- (b) vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination)

- 35 4 The Shareholders may (with Investor Consent) also authorise a Conflict by Ordinary Resolution (a "**Shareholder Authorisation**") and may (with Investor Consent) at any time, by Ordinary Resolution
- (a) make any Shareholder Authorisation subject to such terms and conditions as they think fit, and
  - (b) vary or terminate any Shareholder Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Shareholder Authorisation before any such variation or termination)
- 35 5 If the Conflicted Director receives an Authorisation or Shareholder Authorisation in respect of a Conflict, then (unless that Authorisation or Shareholder Authorisation provides otherwise) the Conflicted Director
- (a) may vote at any future Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating at that meeting,
  - (b) may absent himself from the whole or any part of any Directors' meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed,
  - (c) shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party, and
  - (d) shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict
- 35 6 The Shareholders hereby authorise any Conflict which arises solely by virtue of any Investor Director being in any way connected with any of the A1 Ordinary Shareholders (or any member of any A1 Ordinary Shareholder's Group) and the provisions of Article 35 5 shall apply to an Investor Director as if he had received a Shareholder Authorisation with no conditions attaching to it
- 36 **Transactional Conflicts of Interest**
- 36 1 If a Director (the "**Transaction Director**") is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the "**Transaction**") he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act
- 36 2 Subject to the provisions of the Act, Article 36 1 and the terms of any relevant Authorisation or Shareholder Authorisation, the Transaction Director
- (a) may be a party to, or otherwise be interested in, the Transaction,

- (b) may vote at any Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of the Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting, and
- (c) shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of the Transaction and the Transaction shall not be liable to be avoided on the ground of his interest

**37 Records of Decisions to be Kept**

The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every Unanimous Decision and Majority Decision

**38 Directors' Discretion to Make Further Rules**

Subject to the other provisions of these articles, the Directors may (with Investor Consent) make any rule they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors

**39 Methods of Appointing Directors**

Any person who is willing to act as a Director and is permitted by law to do so, may be appointed to be a Director

39 1 by Ordinary Resolution,

39 2 by a decision of the Directors, or

39 3 pursuant to Article 3 1

**40 Termination of Director's Appointment**

40 1 A person ceases to be a Director as soon as

- (a) he ceases to be a Director by virtue of any provision of the Act or these articles (including Article 40 2) or is prohibited from being a Director by law,
- (b) a bankruptcy order is made against him,
- (c) a composition is made with his creditors generally in satisfaction of his debts,
- (d) a registered medical practitioner who is treating him gives an opinion in Writing to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months,
- (e) notification is received by the Company from him that he is resigning from office and that resignation has taken effect in accordance with its terms,
- (f) he is convicted of a criminal offence (except a minor motoring offence) and the Directors resolve that his office be vacated,

- (g) in the case of a person who is also an employee of any Group Company, he ceases to be such an employee without remaining an employee of any other Group Company, or
  - (h) (except in the case of an Investor Director) all the other Directors unanimously resolve that his office be vacated
- 40 2 In addition and without prejudice to the provisions of section 168 of the 2006 Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office and may by Ordinary Resolution appoint another Director in his place
- 41 **Directors' Remuneration**
  - 41 1 Any Director may undertake any services for the Company that the Directors decide
  - 41 2 A Director is entitled to such remuneration as the Directors shall (with Investor Consent) determine
    - (a) for his services to the Company as a Director, and
    - (b) for any other service which he undertakes for the Company
  - 41 3 Subject to the other provisions of these articles, a Director's remuneration may
    - (a) take any form, and
    - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director
  - 41 4 Unless the Directors decide otherwise, each Director's remuneration accrues from day to day
  - 41 5 Unless the Directors decide otherwise, no Director is accountable to the Company for any remuneration which he receives as a director, other officer or employee of any other Group Company or of any other company in which the Company is interested
- 42 **Directors' Expenses**

The Company may pay any reasonable expenses which any Director (or any Alternate) properly incurs in connection with his attendance at

  - 42 1 Directors' meetings or meetings of committees of Directors,
  - 42 2 general meetings, or
  - 42 3 separate meetings of the Holders of any class of Shares or of the holders of any debentures of the Company,

or otherwise in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Company

**43 Appointment and Removal of Alternates**

43 1 Any Director (the "**Appointor**") may appoint any person as an alternate director (an "**Alternate**") to

- (a) exercise the Appointor's powers, and
  - (b) carry out the Appointor's responsibilities,
- in the absence of the Appointor

43 2 Any appointment or removal of an Alternate must be effected by notice in Writing to the Company signed by the Appointor or in any other manner approved by the Directors

43 3 The notice must

- (a) identify the proposed Alternate, and
- (b) in the case of a notice of appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Appointor

43 4 A person may act as the Alternate of more than one Director

**44 Rights and Responsibilities of Alternates**

44 1 An Alternate has the same rights, in relation to any Directors' meeting or Unanimous Decision, as his Appointor

44 2 Except as otherwise provided by these articles, an Alternate

- (a) is deemed for all purposes to be a Director,
- (b) is liable for his own acts and omissions,
- (c) is subject to the same restrictions as his Appointor, and
- (d) is not deemed to be an agent of or for his Appointor

44 3 Subject to the other provisions of these articles, a person who is an Alternate but is not otherwise a Director

- (a) shall be counted in the quorum at any Directors' meeting in which he is Participating (but only if his Appointor would be counted in the quorum and is not Participating),
- (b) may vote at any Directors' meeting in which he is Participating (but only if his Appointor would be eligible to vote and is not Participating), and
- (c) may participate in taking any Unanimous Decision (but only if his Appointor is an Eligible Director for the purposes of that Unanimous Decision and does not himself participate in taking that Unanimous Decision)

44 4 A Director who is also an Alternate has an additional vote on behalf of each of his Appointors who

- (a) is not Participating in the relevant Directors' meeting, and
  - (b) would have been entitled to vote if that Appointor was Participating in it
- 44 5 An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of his Appointor's remuneration as his Appointor may direct by notice in Writing made to the Company
- 45 **Termination of Appointment of Alternates**
  - An Alternate's appointment as an Alternate terminates
  - 45 1 when his Appointor revokes the appointment by notice in Writing to the Company specifying when it is to terminate,
  - 45 2 on the occurrence (in relation to that Alternate) of any event which, if it occurred in relation to his Appointor, would result in the termination of his Appointor's appointment as a Director,
  - 45 3 on the death of his Appointor, or
  - 45 4 when his Appointor's appointment as a Director terminates
- 46 **Company's Lien Over Partly Paid and Nil Paid Shares**
  - 46 1 The Company has a lien (the "**Company's Lien**") over every Share which is Partly Paid or Nil Paid for any part of
    - (a) that Share's nominal value, and
    - (b) any premium at which it was issued,which has not been Paid to the Company, and which is payable immediately or at some time in the future, whether or not a Call Notice has been sent in respect of it
  - 46 2 The Company's Lien over a Share
    - (a) takes priority over any third party's interest in that Share, and
    - (b) extends to any dividend or other 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
  - 46 3 The Directors may (with Investor Consent) 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
- 47 **Enforcement of the Company's Lien**
  - 47 1 Subject to the provisions of this Article 47, if
    - (a) a notice (a "**Lien Enforcement Notice**") has been given in respect of a Share, and
    - (b) the person to whom that Lien Enforcement Notice was given has failed to comply with it,

the Company may sell that Share in such manner as the Directors decide

**47 2 A Lien Enforcement Notice**

- (a) may only be given in respect of a Share which is subject to the Company's Lien, in respect of which a sum is payable and the due date for payment of that sum has passed,
- (b) must specify the Share concerned,
- (c) must require payment of the sum payable within 14 days of the date of that Lien Enforcement Notice,
- (d) must be addressed either to the Holder of the Share or to a Transmittree of that Holder, and
- (e) must state the Company's intention to sell the Share if that Lien Enforcement Notice is not complied with

**47 3 Where Shares are sold under this Article 47**

- (a) the Directors may authorise any person to execute a Transfer Form for the Shares to the purchaser or a person nominated by the purchaser, and
- (b) 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

**47 4 The net proceeds of any sale of Shares pursuant to this Article 47 (after payment of the costs of sale and any other costs of enforcing the Company's Lien) must be applied**

- (a) first, in payment of so much of the sum for which the Company's Lien exists as was payable at the date of the Lien Enforcement Notice,
- (b) second, to the person entitled to those 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 those Shares before the sale for any money payable in respect of those Shares after the date of the Lien Enforcement Notice

**47 5 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**

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to that Share, and
- (b) subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to that Share

## **48 Call Notices**

48 1 Subject to these articles and 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 which that Shareholder holds at the date when the Directors decide to send the Call Notice

### **48 2 A Call Notice**

- (a) may not require a Shareholder to pay a Call which exceeds the total sum unpaid on that Shareholder's Shares (whether as to the Share's nominal value or any amount payable to the Company by way of premium),
- (b) must state when and how any Call to which it relates it is to be paid, and
- (c) may permit or require the Call to be paid by instalments

48 3 A Shareholder must comply with the requirements of a Call Notice, but no Shareholder is obliged to pay any Call before 14 days have passed since the Call Notice was sent

48 4 Before the Company has received any Call due under a Call Notice the Directors may (with Investor Consent)

- (a) revoke it wholly or in part, or
  - (b) specify a later time for payment than is specified in that Call Notice,
- by a further notice in Writing to the Shareholder in respect of whose Shares the Call is made

## **49 Liability to Pay Calls**

49 1 Liability to pay a Call is not extinguished or transferred by transferring the Shares in respect of which it is required to be paid

49 2 Joint Holders of a Share are jointly and severally liable to pay all Calls in respect of that Share

49 3 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

- (a) to pay Calls which are not the same, or
- (b) to pay Calls at different times

## **50 When a Call Notice Need Not be Issued**

50 1 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)

- (a) on allotment,
- (b) on the occurrence of a particular event, or



(c) on a date fixed by or in accordance with the terms of issue

50 2 If the due date for payment of a sum referred to in Article 50 1 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

#### 51 **Failure to Comply With a Call Notice: Automatic Consequences**

51 1 If a person is liable to pay a Call and fails to do so by the Call Payment Date

(a) the Directors may issue a notice of intended forfeiture (a "**Forfeiture Notice**") to that person, and

(b) until the Call is paid, that person must pay the Company interest on the Call from the Call Payment Date at the Relevant Rate

51 2 The Relevant Rate must not exceed by more than five 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

51 3 The Directors (with Investor Consent) may waive any obligation to pay interest on a Call wholly or in part

#### 52 **Notice of Intended Forfeiture**

A Forfeiture Notice

52 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,

52 2 must be sent to the Holder of that Share (or all joint Holders of that Share) or to a Transmittree of that Holder,

52 3 must require payment of the Call and any accrued interest and all reasonable expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 days after the date of that Forfeiture Notice,

52 4 must state how the payment is to be made, and

52 5 must state that if that Forfeiture Notice is not complied with, the Shares in respect of which the Call is payable will be liable to be forfeited

#### 53 **Directors' Power to Forfeit Shares**

If a Forfeiture Notice is not complied with before the date by which payment of the Call is required in that Forfeiture Notice, 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

**54 Effect of Forfeiture**

**54 1** Subject to these articles, the forfeiture of a Share extinguishes

- (a) all interests in that Share, and all claims and demands against the Company in respect of it, and
- (b) all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company

**54 2** Any Share which is forfeited in accordance with these articles

- (a) is deemed to have been forfeited when the Directors decide that it is forfeited,
- (b) is deemed to be the property of the Company, and
- (c) may be sold, re-allotted or otherwise disposed of as the Directors think fit

**54 3** If a person's Shares have been forfeited

- (a) the Company must send that person notice that forfeiture has occurred and record it in the register of members,
- (b) that person ceases to be a Shareholder in respect of those Shares,
- (c) that person must surrender the certificate for the Shares forfeited to the Company for cancellation,
- (d) that person remains liable to the Company for all sums payable by that person under these articles at the date of forfeiture in respect of those Shares, including any interest and expenses (whether accrued before or after the date of forfeiture), and
- (e) the Directors may (with Investor Consent) 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

**54 4** At any time before the Company disposes of a forfeited Share, the Directors may (with Investor Consent) 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

**55 Procedure Following Forfeiture**

**55 1** 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 Transfer Form

**55 2** 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

- (a) is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share, and

- (b) subject to compliance with any other formalities of transfer required by these articles or by law, constitutes a good title to the Share

55 3 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

55 4 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

- (a) was, or would have become, payable, and

- (b) 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

## 56 **Surrender of Shares**

56 1 A Shareholder may surrender any Share

- (a) in respect of which the Directors may issue a Forfeiture Notice,

- (b) which the Directors may forfeit, or

- (c) which has been forfeited

56 2 The Directors may (with Investor Consent) accept the surrender of any such Share

56 3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share

56 4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited

## 57 **Powers to Issue Different Classes of Shares**

Subject to the other provisions of these articles, but without prejudice to the rights attached to any existing Shares, the Company may

57 1 issue Shares with such rights or restrictions as may be determined by Ordinary Resolution, and

57 2 issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Holder

## 58 **Company Not Bound by Less Than Absolute Interests**

Except as required by law, no person is to be recognised by the Company as holding any Shares on any trust and, except as otherwise required by law or these articles, the Company is not in any way to be bound by, or obliged to recognise, any interest in any Shares other than the Holder's absolute ownership of them and all the rights attaching to them

## **59 Share Certificates**

59 1 The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds

59 2 Every certificate must specify

- (a) in respect of how many Shares, of what class, it is issued,
- (b) the nominal value of those Shares,
- (c) that the Shares are Fully Paid, and
- (d) any distinguishing numbers assigned to them

59 3 No certificate may be issued in respect of Shares of more than one class

59 4 If more than one person holds a Share, only one certificate may be issued in respect of it

59 5 Certificates must

- (a) have affixed to them the Company's common seal, or
- (b) be otherwise executed in accordance with the Act

## **60 Replacement Share Certificates**

60 1 If a certificate issued in respect of a Shareholder's Shares is

- (a) damaged or defaced, or
- (b) said to be lost, stolen or destroyed,

that Shareholder is entitled to be issued with a replacement certificate in respect of the same Shares

60 2 A Shareholder exercising the right to be issued with a replacement certificate pursuant to Article 60 1

- (a) may at the same time exercise the right to be issued with a single certificate or separate certificates,
- (b) must return the certificate which is to be replaced to the Company if it is damaged or defaced, and
- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide

## **61 Transmission of Shares**

61 1 If title to a Share passes to a Transmitttee, the Company may only recognise that Transmitttee as having any title to that Share

61 2 A Transmittree who produces such evidence of entitlement to Shares as the Directors may properly require

(a) may, subject to the other provisions of these articles, choose either to become the Holder of those Shares or to have them transferred to another person, and

(b) subject to Article 61 3 and the other provisions of these articles and pending any transfer of those Shares to another person, has the same rights as the Holder had

61 3 A Transmittree does not have the right to attend or vote at a general meeting or agree to a proposed written resolution, in respect of any Shares to which he is entitled by reason of the Holder's death or bankruptcy or otherwise, unless that Transmittree becomes the Holder of those Shares

## **62 Exercise of Transmittrees' Rights**

62 1 A Transmittree who wishes to become the Holder of any Shares to which he has become entitled must notify the Company in Writing of that wish

62 2 If a Transmittree wishes to have a Share transferred to another person, that Transmittree must execute a Transfer Form in respect of it

62 3 Any transfer made or executed under this Article 62 is to be treated as if it were made or executed by the person from whom the Transmittree has derived rights in respect of the relevant Share and as if the event which gave rise to the transmission had not occurred

## **63 Transmittrees Bound by Prior Notices**

If a notice is given to a Shareholder in respect of any Shares and a Transmittree is entitled to those Shares, that Transmittree is bound by the notice if it was given to that Shareholder before that Transmittree's name has been entered in the register of members as Holder of those Shares

## **64 Procedure for Declaring Dividends**

64 1 Subject to Article 5, the Company may by Ordinary Resolution (with Investor Consent) declare dividends and the Directors may (with Investor Consent) decide to pay interim dividends

64 2 A dividend must not be declared unless the Directors have made a recommendation as to its amount Such a dividend must not exceed the amount recommended by the Directors

64 3 No dividend may be declared or paid unless it is in accordance with Shareholders' respective rights

64 4 Unless

(a) the Shareholders' resolution to declare, or Directors' decision to pay, a dividend, or

(b) the terms on which Shares are issued,

specify otherwise, each dividend must be paid by reference to each Shareholder's holding of Shares on the date of the resolution or decision to declare or pay it

64 5 The Directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment

64 6 If the Directors act in good faith, they do not incur any liability to the Holders of Shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on Shares with deferred or non-preferred rights

**65 Payment of Dividends and Other Distributions**

Where a dividend or other sum which is a distribution is payable in respect of a Share, it must be Paid by one or more of the following means

65 1 transfer to a bank or building society account specified by the relevant Distribution Recipient either in Writing or as the Directors may otherwise decide,

65 2 sending a cheque made payable to the relevant Distribution Recipient by post to him at his registered address (if he is a Holder of the Share), or (in any other case) to an address specified by him either in Writing or as the Directors may otherwise decide,

65 3 sending a cheque made payable to such person by post to such person at such address as the relevant Distribution Recipient has specified either in Writing or as the Directors may otherwise decide, or

65 4 any other means of payment as the Directors agree with the relevant Distribution Recipient either in Writing or by such other means as the Directors decide

**66 No Interest on Distributions**

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by

66 1 the terms on which that Share was issued, or

66 2 the provisions of another agreement between the Holder of that Share and the Company

**67 Unclaimed Distributions**

67 1 All dividends or other sums which are

(a) payable in respect of Shares, and

(b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the Directors for the benefit of the Company until claimed

67 2 The payment of any unclaimed dividend or other sum into a separate account does not make the Company a trustee in respect of it

67 3 If

(a) 12 years have passed from the date on which a dividend or other sum became due for payment, and

(b) the relevant Distribution Recipient has not claimed it,

that Distribution Recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the Company

## **68 Non-Cash Distributions**

68 1 Subject to the terms of issue of the Share in question, the Company may, by Ordinary Resolution on the recommendation of the Directors (and with Investor Consent), decide to pay all or part of a dividend or other distribution payable in respect of that Share by transferring non-cash assets of equivalent value (including shares or other securities in any company)

68 2 For the purposes of paying a non-cash distribution, the Directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution

(a) fixing the value of any assets,

(b) paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients, and

(c) vesting any assets in trustees

## **69 Waiver of Distributions**

Any Distribution Recipient may waive his entitlement to a dividend or other distribution payable in respect of any Share by giving the Company notice in Writing to that effect, but if

69 1 that Share has more than one Holder, or

69 2 more than one person is entitled to that Share (whether by reason of the death or bankruptcy of one or more joint Holders or otherwise),

the notice is not effective unless it is expressed to be given and signed, by all the Holders or persons otherwise entitled to that Share

## **70 Authority to Capitalise and Appropriation of Capitalised Sums**

70 1 Subject to the other provisions of these articles, the Directors may, if they are so authorised by an Ordinary Resolution (and with Investor Consent)

(a) decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the Company's share premium account or capital redemption reserve, and

(b) appropriate any sum which they decide to capitalise in accordance with Article 70 1(a) (a "**Capitalised Sum**") to the persons who would have been entitled to it if it

were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions

70 2 Capitalised Sums must be applied

- (a) on behalf of the Persons Entitled, and
- (b) in the same proportions as a dividend would have been distributed to them

70 3 Any Capitalised Sum may (with Investor Consent) be applied in paying up new Shares of a nominal amount equal to the Capitalised Sum which are then allotted credited as Fully Paid to the Persons Entitled

70 4 A Capitalised Sum which was appropriated from profits available for distribution may (with Investor Consent) be applied in paying up new debentures of the Company which are then allotted credited as Fully Paid to the Persons Entitled

70 5 Subject to the other provisions of these articles, the Directors may (with Investor Consent)

- (a) apply Capitalised Sums in accordance with Articles 70 3 and 70 4 partly in one way and partly in another,
- (b) make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 70 (including the issuing of fractional certificates or the making of cash payments), and
- (c) authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article 70

## **71 Attendance and Speaking at General Meetings**

71 1 A person is able to exercise the right to speak at a general meeting when he is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which he has on the business of the meeting

71 2 A person is able to exercise the right to vote at a general meeting when

- (a) he is able to vote, during the meeting, on resolutions put to the vote at the meeting, and
- (b) his vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting

71 3 The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it

71 4 In determining attendance at a general meeting, it is immaterial whether any two or more persons attending it are in the same place as each other



- 71 5 Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them

**72 Charing General Meetings**

- 72 1 The Chairman shall chair general meetings if present and willing to do so

- 72 2 If the Chairman is unwilling to chair the relevant general meeting or is not present within 10 minutes of the time at which the relevant general meeting was due to start the A1 Ordinary Shareholders present (whether in person, by proxy, or (in the case of a corporation) by a duly authorised representative) must appoint a Director or Shareholder to chair that meeting and that appointment must be the first business of that meeting

**73 Attendance and Speaking by Directors and Non-Shareholders at General Meetings**

- 73 1 Directors may attend and speak at general meetings whether or not they are Shareholders

- 73 2 The Chairman of the Meeting may permit other persons who are not

- (a) Shareholders, or
- (b) otherwise entitled to exercise the rights of Shareholders in relation to general meetings,

to attend and speak at any general meeting

**74 Adjournment of General Meetings**

- 74 1 If the persons attending a general meeting within 30 minutes of the time at which the meeting was due to start do not constitute a quorum or if during a general meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it

- 74 2 The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if

- (a) that meeting (with Investor Consent) consents to an adjournment, or
- (b) it appears to him that an adjournment is necessary to protect the safety of any person attending that meeting or ensure that the business of that meeting is conducted in an orderly manner

- 74 3 The Chairman of the Meeting must adjourn a general meeting if directed to do so by that meeting (with Investor Consent)

- 74 4 When adjourning a general meeting, the Chairman of the Meeting must

- (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors (with Investor Consent), and
- (b) have regard to any directions as to the time and place of any adjournment which have been given by that meeting (with Investor Consent)

74 5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given)

(a) to the same persons to whom notice of the Company's general meetings is required to be given, and

(b) containing the same information which such notice is required to contain

74 6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the relevant general meeting if the adjournment had not taken place

74 7 If a general meeting is adjourned due to it not being quorate and if at the adjourned general meeting a quorum is not present within 30 minutes of the time at which the meeting was due to start, those Shareholders present shall constitute a quorum

#### **75 Voting at General Meetings General**

A resolution put to the vote of a general meeting must be decided on a show of hands unless a poll is duly demanded in accordance with these articles

#### **76 Errors and Disputes**

76 1 No objection may be raised to the qualification of any person voting at a general meeting except at that meeting or adjourned meeting at which the vote objected to is tendered and every vote not disallowed at that meeting is valid

76 2 Any objection pursuant to Article 76 1 must be referred to the Chairman of the Meeting, whose decision is final

#### **77 Poll Votes**

77 1 A poll on a resolution may be demanded

(a) in advance of the general meeting where it is to be put to the vote, or

(b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared

77 2 A poll may be demanded by

(a) the Chairman of the Meeting,

(b) the Directors,

(c) two or more persons having the right to vote on the relevant resolution, or

(d) a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the relevant resolution,

(e) an A1 Ordinary Shareholder

77 3 A demand for a poll may be withdrawn if

- (a) the poll has not yet been taken, and
  - (b) the Chairman of the Meeting consents to the withdrawal
- 77 4 Polls must be taken immediately and in such manner as the Chairman of the Meeting directs
- 78 **Content of Proxy Notices**
- 78 1 Proxies may only validly be appointed by a notice in Writing (a "**Proxy Notice**") which
  - (a) states the name and address of the Shareholder appointing the proxy,
  - (b) identifies the person appointed to be the proxy and the general meeting in relation to which he is appointed,
  - (c) is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine, and
  - (d) is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which the Proxy Notice relates
- 78 2 The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes
- 78 3 Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions
- 78 4 Unless a Proxy Notice indicates otherwise, it must be treated as
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the relevant general meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as that general meeting itself
- 79 **Delivery of Proxy Notices**
- 79 1 Any notice of a general meeting must specify the address or addresses (the "**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or Electronic Form
- 79 2 A Proxy Notice may be delivered to the Proxy Notification Address at any time before the general meeting, adjourned meeting or poll to which it relates
- 79 3 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person
- 79 4 An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom, or on whose behalf, the Proxy Notice was given to the Proxy Notification Address

79 5 A notice revoking a proxy appointment only takes effect if it is delivered before the start of the general meeting or adjourned general meeting to which it relates

79 6 If a Proxy Notice is not executed by the person appointing the proxy, it must be accompanied by evidence in Writing of the authority of the person who executed it to execute it on the person appointing the proxy's behalf

## **80 Amendments to Resolutions**

80 1 An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if

(a) notice of the proposed amendment is given to the Company in Writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before that meeting is to take place (or such later time as the Chairman of the Meeting may determine), and

(b) the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution

80 2 A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if

(a) the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and

(b) the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution

80 3 If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution

## **81 Means of Communication to be Used**

81 1 Subject to the other provisions of these articles

(a) anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company,

(b) and the provisions of the Act, the Company may make any documents or information authorised or required by any provision of these articles or the Act to be sent or supplied by the Company to any Shareholder available on a website, and

(c) any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being

81 2 A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent and for the specified time to be less than 48 hours

81 3 Section 1147(5) of the Act shall not apply in relation to documents and information sent or supplied by the Company

## **82 Company Seals**

82 1 Any common seal may only be used by the authority of the Directors

82 2 The Directors may decide by what means and in what form any common seal is to be used

82 3 Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by at least one Authorised Person in the presence of a witness who attests the signature

## **83 No Right to Inspect Accounts and Other Records**

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

## **84 Directors' Indemnity**

84 1 Subject to Article 84 2, a Relevant Director may (with Investor Consent) be indemnified out of the Company's assets against

(a) any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to any Group Company,

(b) any liability incurred by him in connection with the activities of any Group Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Act),

(c) any other liability incurred by him as an officer of any Group Company

84 2 Article 84 1 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

## **85 Directors' Insurance**

The Directors may (with Investor Consent) decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Director in respect of any Relevant Loss