

**THE COMPANIES ACT 2006**  
**PRIVATE COMPANY LIMITED BY SHARES**

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**ARTICLES OF ASSOCIATION**  
**OF**

**GBUK GROUP LIMITED**

Company Number 9458917

Incorporated in England and Wales the 25th day of  
February 2015

Adopted on the 12<sup>th</sup> day of September 2016 (the  
"**Adoption Date**") as amended by written special  
resolution dated 31<sup>st</sup> January 2017 and written  
special resolution dated 27<sup>th</sup> May 2021

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## CONTENTS

1	CONSTITUTION .....	1
2	INTERPRETATION .....	1
3	SHARE CAPITAL .....	1
4	EQUITY SHARES .....	3
5	PREFERENCE SHARES AND A PREFERENCE SHARES .....	7
6	VARIATION OF CLASS RIGHTS .....	8
7	TRANSFER OF SHARES .....	9
8	GENERAL MEETINGS .....	10
9	DIRECTORS & CONFLICTS .....	11
10	BORROWING AND OTHER POWERS .....	18
11	ALTERNATE DIRECTORS .....	18
12	INDEMNITY .....	18
13	PERMITTED TRANSFERS .....	19
14	COMPULSORY TRANSFER .....	23
15	TAG-ALONG .....	24
16	DRAG-ALONG .....	25
17	APPOINTMENT OF DIRECTORS & OBSERVER .....	27
18	NOTICES .....	28
19	PUT OPTION RE C ORDINARY SHARES .....	28
20	DEFINITIONS .....	31

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**GBUK GROUP LIMITED**  
**(Company Number 9458917)**

**1 CONSTITUTION**

- 1.1 The regulations contained in Schedule 3 of the Companies (Model Articles) Regulations 2008 ("**Model Articles**") shall apply to the Company except to the extent that they are excluded by or inconsistent with these Articles.
- 1.2 Model Articles 7, 10(2), 11, 13(3), 16, 20, 21, 22, 23, 25, 26, 27, 28, 29, 30, 33(1), 34, 41, 43, 45, 63(6), 80, 82 and 85 do not apply.
- 1.3 The Default Articles shall not apply to the Company.

**2 INTERPRETATION**

In these Articles, unless the context otherwise requires, words and expressions shall bear the meaning ascribed to them in Article 19 (*Definitions*).

**3 SHARE CAPITAL**

- 3.1 The maximum nominal amount of share capital of the Company that may be issued is £20,298.049 which is divided into 280,600 A Ordinary Shares, 76,591 B Ordinary Shares, 33,333 C Ordinary Shares, 14,419,400 Preference Shares and 1,973,409 A Preference Shares or such greater amount as the Board (acting with the prior written consent of the Investor Majority) determines.
- 3.2 Any Shares may be issued on the terms that they are, or at the option of the Company are, liable to be redeemed.
- 3.3 Subject to obtaining the prior written consent of the Investor Majority and to the provisions of CA06 and of every other statute for the time being in force concerning companies and affecting the Company and to the provisions of these Articles and to any direction to the contrary that may be given by ordinary resolution of the Company (with the prior written consent of the Investor Majority), any new Shares to be issued (including any redeemable Shares whether forming part of the existing or any increased capital) shall be at the disposal of the Directors, who may offer, allot, issue, grant options or rights over or otherwise dispose of them to such persons, at such times and for such consideration and upon such terms and conditions and with such preferred, deferred or other special rights or restrictions whether in regard to dividend, voting, return of capital or otherwise as the Directors may determine, but so that no Shares shall be issued at a discount.

- 3.4 For the purposes of section 551 of CA06, the Directors are authorised generally and unconditionally to allot without the authority of the Company in general meeting up to a maximum of £5,028.049 in nominal amount of relevant securities of the Company at any time or times from the Adoption Date until the date occurring five years after such date. The aforesaid authority may be revoked or varied by the Company in general meeting and may be renewed by the Company in general meeting for a further period not exceeding five years. The Company may make any offer or agreement before the expiry of this authority which would or might require relevant securities to be allotted after this authority has expired and the Directors may allot relevant securities in pursuance of any such offer or agreement notwithstanding the expiry of this authority.

For the purposes of this article "**relevant securities**" means

- (a) shares in the Company; and
  - (b) any right to subscribe for, or convert any security into, shares in the Company.
- 3.5 In accordance with section 570 of CA06, section 561(1) of CA06 shall be excluded from applying to the allotment of equity securities (as defined in section 560 of CA06).
- 3.6 Subject to Articles 3.7 and 3.8 and provided the Investor Majority have given their prior written consent to the allotment of such Shares, all new Shares shall be offered in writing for subscription to the holders of Equity Shares (which for these purposes shall be treated as one class of Share but shall not include holders of any Equity Shares who are Leavers) in the proportion that the aggregate nominal value of such Equity Shares for the time being held respectively by each such member bears to the aggregate nominal value of all Equity Shares for the time being in issue and such offer shall be made at the same price per Share and by written notice specifying the number of Shares to which the member is entitled and limiting a time (being not less than 15 Business Days nor more than 20 Business Days) within which the offer if not accepted and completed will be deemed to be declined and, after the expiration of such time or on the receipt of a confirmation from the member of the Company to whom such notice is given that he has declined to accept the Shares so offered, the Directors shall issue the same on the same terms including the same price as they were initially offered to the members but otherwise to such persons and in such manner as they are directed by an Investor Majority. If owing to the inequality in the number of new Shares to be issued and the number of Shares held by those members of the Company entitled to receive the offer of new Shares, such difficulties shall, in the absence of direction by the Company, be determined by an Investor Majority.
- 3.7 Article 3.6 shall not apply to:-
- (a) the issue of C Ordinary Shares provided that any such shares are issued in accordance with clause 6 (*Issue of ESS Shares*) and clause 9.9 of the Investment Agreement;
  - (b) the issue of Preference Shares and A Preference Shares provided that any such shares are issued in accordance with clause 9.12 of the Investment Agreement; and

- (c) the allotment and issue of Equity Securities for non-cash consideration as part of or so as to raise funds for one or more acquisitions by the Company or any other member of the Group of any shares, assets, business or undertakings.
- 3.8 For so long as the Voting Rights attached to the A Ordinary Shares are enhanced pursuant to Article 4.5, the Directors shall offer and issue Shares in accordance with Article 3.6, save that the offer shall be of such number and at such price, and the period the members are required to accept and pay for the Equity Shares offered shall be such period, as they are directed by an Investor Majority.
- 3.9 The Company shall not be bound by or be compelled in any way to recognise (even when having notice thereof) any equitable, contingent, future or partial interest in any Share or any interest in any fractional part of a Share or (except only as otherwise provided by these Articles or by law) any other rights in respect of any Share except an absolute right to the entirety thereof held by the registered holder. The Company shall however be entitled to register trustees as such in respect of any Shares.
- 3.10 Model Article 72(1) shall apply as if the words "*either in writing or as the Directors may otherwise decide*" were deleted from each of the paragraphs (a) to (d) inclusive and replaced in each case by the words "*in writing*".
- 3.11 Subject to the CA06, but without prejudice to any other provisions of these Articles, the Company may purchase its own shares in accordance with Chapter 4 of Part 18 of the CA06 including (without limitation) out of capital up to any amount in a financial year not exceeding (a) £15,000 and (b) the nominal value of 5% of the Company's fully paid share capital at the beginning of each financial year of the Company.

## 4 EQUITY SHARES

The rights attached to the Equity Shares are as follows:

### Dividends

- 4.1 Subject to the Board recommending payment of the same and Investor Consent, any profits which the Company determines to distribute in any financial year shall be distributed amongst the holders of Equity Shares *pari passu* as if they were all Shares of the same class according to the number of such Equity Shares held.

### Capital

- 4.2 On an Exit, Liquidation or a return of capital of the Company (other than a redemption of shares or the purchase by the Company of its own shares) then:
- (a) the surplus assets and retained profits of the Company remaining after payment of all its liabilities; or
- (b) the proceeds of the Exit,

the "**Proceeds**", will be applied in the following order and priority:

Priority	Class of Share	Amount to be paid:

1	Preference Shares and A Preference Shares	The Subscription Price on all issued Preference Shares and A Preference Shares together with an amount equal to all arrears and accruals of Preference Dividend and A Preference Dividend whether earned or declared or not.
2	Equity Shares	<p>Any balance of the Proceeds after the payments referred to at Priority 1 above (the "<b>Balance</b>") shall be paid to the holders of Equity Shares as follows:</p> <p>(a) if the Balance is less than £50,000,000 but equal to or more than £40,000,000:-</p> <p>(i) 90% of the Balance to the holders of A Ordinary Shares and B Ordinary Shares (pari passu as if the same constituted a single class of share) allocated pro rata to the number of A Ordinary Shares and B Ordinary Shares held; and</p> <p>(ii) 10% of the Balance to the holders of C Ordinary Shares allocated pro rata to the number of C Ordinary Shares held;</p> <p>(b) if the Balance is less than £40,000,000:</p> <p>(i) to the holders of A Ordinary Shares and B Ordinary Shares (pari passu as if the same constituted a single class of share) an amount "<b>X</b>" calculated as follows and allocated pro rata to the number of A Ordinary Shares and B Ordinary Shares held:</p> $X = (0.90 + 0.04) \times \text{Balance}$ <p>;and</p> <p>(ii) to the holders of C Ordinary Shares an amount "<b>Y</b>" calculated as follows and allocated pro rata to the number of C Ordinary Shares held:</p> $Y = (0.10 - 0.04) \times \text{Balance}$ <p>; and</p>

		<p>(c) if the Balance is equal to or exceeds £50,000,000:</p> <p>(i) to the holders of A Ordinary Shares and B Ordinary Shares (pari passu as if the same constituted a single class of share) an amount "<b>W</b>" calculated as follows and allocated pro rata to the number of A Ordinary Shares and B Ordinary Shares held:</p> $W = (0.90 - 0.04) \times \text{Balance};$ <p>(ii) to the holders of C Ordinary Shares other than those that are Leavers (save where an Investor Majority has consented to a Leaver being included in this category for the purposes of this Article) an amount "<b>Z</b>" calculated as follows and allocated pro rata to the number of C Ordinary Shares held:</p> $Z = [(\Delta C / C \times 0.10) + 0.04] \times \text{Balance}$ <p>Where:</p> <p>"<b>ΔC</b>" means the number of C Ordinary Shares in issue at the relevant time other than any C Ordinary Shares held by a Leaver save where an Investor Majority has consented to a Leaver being included in this category for the purposes of this Article</p> <p>"<b>C</b>" means the number of C Ordinary Shares in issue at the relevant time</p> <p>; and</p> <p>(iii) to the holders of C Ordinary Shares who are Leavers (other than those Leavers who fall within paragraph (c) (ii) above) an amount "<b>S</b>" calculated as follows and allocated pro rata to the number of C Ordinary Shares held by such Leavers:</p>
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		$S = (L/C \times 0.10) \times \text{Balance}$ <p>Where:</p> <p>"L" means the number of C Ordinary Shares held by Leavers at the relevant time (other than those Leavers who fall within paragraph (c) (ii) above).</p>
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#### Voting

4.3 Subject to Articles 4.4, 4.5 and 14.4 the holders of the Equity Shares shall be entitled to receive notice of and to attend and speak at any general meeting of the Company and the holders of Equity Shares who (being an individual) are present in person or by proxy or (being a corporation) are present by a duly authorised representative or by proxy shall on a show of hands, on a poll or on a written resolution have the right to exercise the following votes:

- (a) the holders of A Ordinary Shares as a class shall have such number of votes in aggregate as are equal to 75 per cent of the total votes capable of being cast by all members, such votes to be allocated amongst the holders of A Ordinary Shares in proportion to the number of A Ordinary Shares held by each of them; and
- (b) the holders of B Ordinary Shares and C Ordinary Shares (pari passu as if they constituted a single class of share) as a class shall have such number of votes in aggregate as are equal to 25 per cent of the total votes capable of being cast by all members, such votes to be allocated amongst the holders of B Ordinary Shares and C Ordinary Shares in proportion to the number of such Shares held by each of them,

provided that the votes which would otherwise be exercisable in respect of B Ordinary Shares and/or C Ordinary Shares which have been disenfranchised pursuant to Article 14.4 shall be allocated amongst the remaining holders of B Ordinary Shares and C Ordinary Shares (pari passu as if they constituted a single class of share) in proportion to the number of such Shares held until such time as the disenfranchised Shares cease to have their voting rights suspended.

4.4 The holders of the B Ordinary Shares and C Ordinary Shares shall not be entitled to vote, whether present in person, by proxy or by a duly authorised representative, on a show of hands or on a poll on any resolution relating solely to the appointment or removal of any Director.

#### Enhanced Voting

4.5 In the event that any of the following occurs:

- (a) an Adjusted Financial Covenant is not satisfied;
- (b) any dividend payable by the Company in favour of the Investors is not paid on its due date (for whatever reason); or



- (c) the Bank shall at any time have become entitled to declare the whole or any part of any banking facilities contained in the Banking Documents, or other finance facilities provided to the Company or any other Group Company, due and payable in advance of its stated maturity date as a result of the occurrence of any Default or Event of Default (each as defined in the Facilities Agreement) and such provider shall not have formally waived such entitlement in writing to the satisfaction of an Investor Majority,

then the Investors may serve written notice of the same upon the Company whereupon the Voting Rights attached to the A Ordinary Shares shall be enhanced as follows:

- (d) if the holders of the A Ordinary Shares vote at any meeting of the Company against any resolution put to that meeting, that resolution shall be deemed not to have been carried notwithstanding that the number of votes cast in its favour exceeds those cast against it and notwithstanding any of the provisions of the Articles or any applicable Model Article to the contrary; and
- (e) any ordinary or special resolution in favour of which the holders of the A Ordinary Shares have voted shall be deemed to have been carried as such a resolution notwithstanding that the number of votes cast against such resolution exceeds those cast in its favour and notwithstanding any of the provisions of the Articles or any applicable Model Article to the contrary,

and such enhanced rights shall continue until either (i) an Investor Director shall give notice in writing to the Company that such enhanced rights are to cease, in which case the enhanced rights shall expire immediately after the date specified in such written notice, or (ii) such failure has (in the reasonable opinion of the Investors) been adequately remedied.

## 5 PREFERENCE SHARES AND A PREFERENCE SHARES

The rights attached to the Preference Shares and the A Preference Shares are as follows:

### Dividends

- 5.1 The holders of Preference Shares and A Preference Shares shall be entitled to receive, in priority to the holders of any other class of shares, a fixed cumulative preferential dividend at the annual rate of:-

- (a) 12.5 per cent of the Preference Share Value (excluding any associated tax credit) in the case of the Preference Shares (the "**Preference Dividend**"); and
- (b) 11 per cent of the A Preference Share Value (excluding any associated tax credit) in the case of the A Preference Shares (the "**A Preference Dividend**"),

which in each case shall accrue daily and be calculated assuming a 365 day year. The Preference Dividend and the A Preference Dividend shall be paid to the holder(s) of such Preference Shares and A Preference Shares on Exit or at any time with the consent of the Board and the Investor Majority.

## Capital

- 5.2 On an Exit, Liquidation or a return of capital of the Company (other than a redemption of shares or the purchase by the Company of its own shares) the Proceeds shall be applied in accordance with Article 4.2.

## Voting

- 5.3 The holders of the Preference Shares and A Preference Shares shall be entitled to receive notice of any general meeting and a copy of every written resolution of the Company and to attend either in person (or, being a corporation, by duly authorised representative) or by proxy and speak at any general meeting of the Company but shall not be entitled to vote (either personally, by authorised representative or by proxy).

## **6 VARIATION OF CLASS RIGHTS**

- 6.1 Whenever the capital of the Company is divided into different classes of Shares, subject to this Article 6.1, the special rights attached to any class may (unless otherwise provided by the terms of issue of the Shares of that class) be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in writing of the holders of at least 75% in aggregate nominal value of the issued Shares of that class, or with the sanction of a resolution passed at a separate meeting of the holders of the Shares of that class by the holders of not less than 75% in aggregate value of Shares of that class who attended and voted at such meeting, but not otherwise. To each such separate meeting, all the provisions of these Articles relating to general meetings of the Company, or to the proceedings at them shall, mutatis mutandis, apply except that:
- (a) no member shall be entitled to receive notice of such meeting or to attend it unless he is a holder of Shares of the class in question and no vote shall be given except in respect of a Share of that class;
  - (b) the necessary quorum for a meeting of the A Ordinary Shareholders shall be one person and of the B Ordinary Shareholders shall be one person and of the C Ordinary Shareholders shall be one person, each being a member, a proxy for a member or a duly authorised representative of a member being a corporation, together holding or representing at least one third in nominal amount of the issued Shares of that class;
  - (c) if at any adjourned meeting, a quorum as defined above is not present within half an hour of the time appointed for the adjourned meeting, the member or members who is/are present shall be a quorum;
  - (d) the holders of Shares of the class in question shall, on a poll, have one vote in respect of every Share of that class held by them; and
  - (e) without prejudice to the foregoing provisions of this Article 6.1, for so long as the Voting Rights of the A Ordinary Shares are enhanced pursuant to Article 4.5, the special rights attached to the B Ordinary Shares and the C Ordinary Shares may be varied or abrogated, either whilst the Company is a going concern or during or in contemplation of a winding up, with the consent in

writing of at least 75% in aggregate nominal value of the holders of the A Ordinary Shares, or with the sanction of a resolution passed at a separate meeting of the holders of the A Ordinary Shares of not less than 75% in aggregate value of the A Ordinary Shares who attended and voted at such meeting.

- 6.2 Without prejudice to the generality of Article 6.1, the special rights attached to the A Ordinary Shares shall be deemed to be varied at any time by any of the following:
- (a) the capitalisation of any sum in or towards paying up any share or loan capital of the Company;
  - (b) redemption of any of the Shares or entering into by the Company of a contract to purchase any of its Shares other than pursuant to these Articles;
  - (c) the alteration, increase, reduction, sub-division or consolidation of the issued share capital of the Company or any Group Company or the grant of any option or right to subscribe for Shares or the shares of any Group Company or the issue of securities which are convertible into Shares or the shares of any Group Company, other than a conversion, re-designation, consolidation or redemption of Shares pursuant to these Articles;
  - (d) the creation by the Company or any member of the Group of any mortgage, charge, pledge, lien, encumbrance or other security interest other than such existing interests as permitted to be created in Favour of the Bank under the Banking Documents (excluding any interest arising by operation of law in the ordinary course of business);
  - (e) the making of any material change (including cessation) in the nature of the business of the Group taken as a whole;
  - (f) the alteration of the memorandum of association of the Company or these Articles or the passing of any special resolution of the members (or any class of them);
  - (g) the declaration or payment of any dividend or the making of any other distribution in respect of the profits, assets or reserves of the Company or any of its subsidiaries;
  - (h) the institution of any proceedings for or the convening of any meeting for the passing of any resolution for the winding up of the Company or any other member of the Group;
  - (i) the removal of any Director or the Chairman otherwise than in accordance with Article 17 (*Directors & Observers*); or
  - (j) the Company or any other member of the Group incurring an obligation to do any of the foregoing.

## **7 TRANSFER OF SHARES**

- 7.1 The Directors shall register any transfer of Shares made in accordance with the provisions of Articles 7.2 or 13 to 16 (*Permitted Transfers, Pre-emption Rights,*

*Compulsory Transfers, Change of Controlling Interest, Tag-Along and Drag-Along*). Save as aforesaid the Directors shall decline to register any transfer of any Shares, whether or not such Shares are fully paid.

- 7.2 Subject to such of the restrictions set out in these Articles as may be applicable, any member may transfer all or any of his Shares by instrument of transfer in writing in any usual or common form or in any other form which the Directors may approve, The instrument of transfer shall be executed by or on behalf of the transferor and (except in the case of fully paid Shares) by or on behalf of the transferee and the transferor shall remain the holder of the Shares and as such a member of the Company until the name of the transferee is entered in the Company's register of members in respect thereof.

## **8 GENERAL MEETINGS**

- 8.1 No business shall be transacted at any general meeting unless a quorum of members is present at the time when the meeting proceeds to business. Save as herein otherwise provided, one holder of A Ordinary Shares present in person or by proxy or, if a corporation, by a duly authorised representative or proxy shall be a quorum.
- 8.2 If a quorum is not present within half an hour of the time appointed for a general meeting the meeting, if convened on the requisition of members, shall be dissolved. In any other case such meeting shall stand adjourned to the same place 5 Business Days later or to such later day and at such time and place as the Directors may determine, and if at the adjourned meeting a quorum is not present the meeting shall stand adjourned to the same place a further 5 Business Days later or to such later day and at such time and place as the Directors (with the prior written consent of an Investor Director) may determine. If at the second adjourned meeting a quorum is not present within half an hour from the time appointed for the meeting the member(s) present shall be a quorum.
- 8.3 A resolution in writing signed by members who would be entitled to receive notice of and to attend and vote at a general meeting at which such resolution was to be proposed, or by their duly appointed attorneys or representatives, and who together hold at least 75% in number of the Equity Shares held by members eligible to vote, shall be as valid and effectual as if it had been passed at a general meeting of the Company duly convened and held. Any such resolution may consist of several documents in the like form each signed by one or more of the members or their duly appointed attorneys or representatives and the signature in the case of a corporation which is a member shall be sufficient if made by a Director or the secretary thereof or by its duly appointed attorney(s) or representatives(s).
- 8.4 A poll may be demanded at any general meeting by the chairman or by any member present in person or by proxy or, if a corporation, by a proxy or a representative duly authorised and entitled to vote on the resolution in question. Model Article 36(2) shall be construed accordingly. Model Article 36(3) shall be amended by the insertion of the words "*A demand so withdrawn shall not invalidate the results of a show of hands declared before the demand was made*" as a new paragraph at the end of that Article.
- 8.5 A resolution not previously approved by the Directors may not be moved by any member other than a Director at a general meeting unless the member intending to

move the same shall have left a copy thereof with his name and address at the Office no less than 3 Business Days prior to such meeting.

- 8.6 A notice of every general meeting shall be given to every member who has supplied to the Company an address (whether or not within the United Kingdom) for the giving of notices.

## **9 DIRECTORS & CONFLICTS**

- 9.1 The quorum for the transaction of the business of the Directors may be fixed by the Directors and unless so fixed at any other number or unless there is only one Director, shall be two. Save as set out below in this Article 9.1 or unless an Investor Director shall otherwise agree in writing, one of the quorum shall always be an Investor Director, if there is one in office. Each Director of the Company shall exercise one vote in relation to any transaction of business at any Board meeting and all decisions shall require at least one vote from an Investor Director. A person who holds office only as an Alternate Director shall, if his appointor is not present (but not otherwise), be counted in the quorum. For the purposes of any meeting (or part of a meeting) held in accordance with this Article 9 to authorise a Director's conflict pursuant to section 175(4)(b) CA06, if there is only one eligible director in office other than the conflicted Director(s) the quorum for that meeting (or part of a meeting) is one eligible director provided always that where the eligible director is not an Investor Director, the only business which shall be transacted at the meeting shall be the authorisation of such conflict.
- 9.2 Unless and until otherwise determined by ordinary resolution of the Company or as otherwise determined by an Investor Director, the minimum number of Directors shall be one and there shall be no maximum number. A sole Director shall have all the power and authority vested in "the Directors" pursuant to these Articles.
- 9.3 A Director shall not be required to hold Shares of the Company in order to qualify for office as a Director of the Company, but he shall be entitled to receive notice of and attend and speak at all general meetings of the Company or meetings of any class of members of the Company.
- 9.4 If a proposed decision of the Directors is concerned with an actual or proposed transaction or arrangement with the Company in which a Director is in any way directly or indirectly interested, that Director shall be counted as participating in the decision making process for quorum and voting purposes provided that the relevant interest either:
- (a) has been duly declared in accordance with section 177 or section 182 CA06, as the case may require; or
  - (b) is not required by the terms of either of those sections to be declared.
- 9.5 The provisions of this Article 9.5 and Articles 9.6 to 9.13 shall apply in relation to the exercise of the power of the Directors to authorise any matter which would or might otherwise constitute or give rise to a breach of the duty of a Director under section 175(1) CA05 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company.

9.6 If a situation arises or exists in which a Director has or could have a Situational Conflict, without prejudice to the provisions of Articles 9.8 to 9.12, the Director concerned, or any other Director, may propose to the Board that such Situational Conflict be authorised, such proposal to be made in writing and delivered to the other Directors or made orally at a meeting of the Board, in each case setting out particulars of the Situational Conflict in question. Subject to CA06, the Directors may authorise such Situational Conflict and the continuing performance by the relevant Director of his duties as a Director of the Company on such terms as they may think fit. If a Situational Conflict is not authorised in accordance with this Article or Articles 9.8 to 9.12, the Director with the Situational Conflict shall not count in the quorum (and in such instance quorum requirements shall be adjusted appropriately), or have any right to vote in relation to any matter relating to any Situational Conflict or be entitled to receive documentation containing any information relating to a Situational Conflict (but, for the avoidance of doubt such a Director may receive (where possible) redacted information or documentation not including information relating to the Situational Conflict).

9.7 The relevant Director shall not be counted in the quorum at the relevant meeting of the Directors to authorise such Situational Conflict nor be entitled to vote on the resolution authorising it. If the relevant Director is a sole Investor Director, for the purposes of any part of the meeting of the Directors at which a resolution authorising the relevant Situational Conflict pursuant to section 175(4)(b) of CA06 is to be considered, the quorum requirement for such part of the meeting shall be any two Directors, neither of whom have any interest in the matter.

9.8 Subject to compliance by him with his duties as a Director under Part X of CA06 (other than the duty in section 175(1) of CA06 which is the subject of this Article 9.8), a Director (including the chairman of the Company (if any) and any other non-executive Director) may, at any time:

- (a) be an officer of, employed by, or hold Shares or other securities (whether directly or indirectly) in, the Company; or
- (b) be a Director or other officer of, employed by or hold shares or other securities (whether directly or indirectly) in, or otherwise be interested, whether directly or indirectly, in any other Group Company,

(in either case a "**Group Company Interest**") and notwithstanding his office or the existence of an actual or potential conflict between any Group Company Interest and the interests of the Company which would fall within the ambit of that section 175(1), the relevant Director:

- (c) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Group Company Interest may be discussed, and to vote on any resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Director at the same time as the other Directors (save that a Director may not vote on any resolution in respect of matters relating to his employment with the Company or other Group Company);

- (d) shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Group Company Interest; and
- (e) will not be obliged to disclose to the Company or use for the benefit of the Company

any confidential information received by him by virtue of his Group Company Interest and otherwise than by virtue of his position as a Director, if to do so would breach any duty of confidentiality to any other Group Company or third party.

9.9 Subject to compliance by him with his duties as a Director under Part X of CA06 (other than the duty in section 175(1) of CA06 to the extent that it is the subject of this Article 11.9), each Investor Director may be a Director or other officer of, employed by, hold shares or other securities in, or otherwise be interested, whether directly or indirectly, in:

- (a) any Investor, Investor Associate, or other entity which, directly or indirectly, holds Shares in the Company (a "**Relevant Investor**") and as such the Investor Director may, on behalf of the Investor, give or withhold any consent or give any direction required of any Investor or Investors pursuant to the terms of any subscription, investment or shareholders' agreement relating to the Company, or of any similar agreement or document ancillary to such an agreement; or
- (b) any other company in which a Relevant Investor also holds shares or other securities or is otherwise interested, whether directly or indirectly,

(in either case an "**Investor Director Interest**"), and notwithstanding his office or the existence of an actual or potential conflict between any Investor Director Interest and the interests of the Company which would fall within the ambit of section 175(1) of CA06 the relevant Investor Director:

- (c) shall be entitled to attend any meeting or part of a meeting of the Directors or a committee of the Directors at which any matter which may be relevant to the Investor Director Interest may be discussed, and to vote on a resolution of the Directors or a committee thereof relating to such matter, and any board papers relating to such matter shall be provided to the relevant Investor Director at the same time as other Directors;
- (d) shall not be obliged to account to the Company for any remuneration or other benefits received by him in consequence of any Investor Director Interest;
- (e) shall be entitled to consult freely about the Group and its affairs with, and to disclose, for investment appraisal purposes, confidential information to, any Investor, Investor Associate, or proposed investor in the Group or any other person on whose behalf it is investing in the Group, and to the Group's auditors, lenders and proposed lenders (or with and to any of its or their professional advisers);
- (f) for the purposes of facilitating an Exit, shall be entitled to disclose any Confidential Information to any proposed purchaser, underwriter, sponsor or broker, subject to the relevant Investor Director using his reasonable

endeavours to procure that any such recipient is made aware that it is confidential information and agrees to treat it accordingly; and

- (g) will not be obliged to disclose to the Company or use for the benefit of the Company any other confidential information received by him by virtue of his Investor Director Interest and otherwise than by virtue of his position as a Director.

9.10 For the purposes of Articles 9.8 and 9.9, the expression "**confidential information**" shall mean all information (whether oral or recorded in any medium) relating to any Group Company's business, financial or other affairs (including future plans of any Group Company) which is treated by a Group Company as confidential (or is marked or is by its nature confidential).

9.11 Without prejudice to Articles 9.8 and 9.9, any Director who has a Group Company Interest and any Investor Director who has an Investor Director Interest shall, as soon as reasonably practicable following the relevant interest arising, disclose to the Board the existence of such interest and the nature and extent of such interest so far as the relevant Investor Director or other Director is able at the time the disclosure is made PROVIDED that no such disclosure is required to be made of any matter in respect of which the relevant Investor Director or other Director owes any duty confidentiality to any third party. A disclosure made to the Board under this Article 9.11 may be made either at a meeting of the Board or by notice in writing to the Company marked for the attention of the Directors.

9.12 Notwithstanding the provisions of Articles 9.8 and 9.9, the Investor Majority from time to time may, at any time, by notice in writing to the Company, authorise, on such terms as they shall think fit and shall specify in the notice:

- (a) any Situational Conflict which has been notified under Article 9.6;
- (b) any Situational Conflict which has been notified under Article 9.6 and which arises by virtue of his appointment or proposed appointment as a Director or other officer of, and/or his holding of shares or other securities (whether directly or indirectly) in, any company other than a Group Company; or
- (c) any Group Company Interest or Investor Director Interest which has been disclosed to the Board under Articles 9.8 or 9.9,

(whether or not the matter has already been considered under, or deemed to fall within, Article 9.8 or 9.9, as the case may be).

9.13 No contract entered into shall be liable to be avoided by virtue of:

- (a) any Director having an interest of the type referred to in Article 9.6 where the relevant Situational Conflict has been approved as provided by that Article or which is authorised pursuant to Article 9.12;
- (b) any Director having a Group Company Interest which falls within Article 9.8 or which is authorised pursuant to Article 9.12; or
- (c) any Investor Director having an Investor Director Interest which falls within Article 9.9 or which is authorised pursuant to Article 9.12.



- 9.14 The provisions of Articles 9.6 to 9.13 shall not apply to Transactional Conflicts but the following provisions of this Article 9.14 and Article 9.15 shall so apply. Any Director may be interested in an existing or proposed transaction or arrangement with the Company provided that he complies with CA06 and (if applicable) Articles 9.15 and 9.16.
- 9.15 Subject to the provisions of CA06, and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director notwithstanding his office:
- (a) may be a party to, or otherwise interested in, any transaction or arrangement with the Company or in which the Company is otherwise interested;
  - (b) may be a Director or other officer of, or employed by, or a party to any transaction or arrangement with, or otherwise interested in, any body corporate promoted by the Company or in which the Company is otherwise interested; and
  - (c) shall not, by reason of his office, be accountable to the Company for any benefit which he derives from any such office or employment or from any such transaction or arrangement or from any interest in any such body corporate and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 9.16 For the purposes of Article 9.15:
- (a) a general notice given to the Directors that a Director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the Director has an interest in any such transaction of the nature and extent so specified; and
  - (b) an interest of which a Director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his.
- 9.17 Without prejudice to the obligation of each Director to declare an interest in accordance with CA06, a Director may vote at a meeting of the Board or of a committee of the Board on any resolution concerning a matter in which he has an interest, whether direct or indirect, which relates to a transaction or arrangement with the Company, or in relation to which he has a duty. Having so declared any such interest or duty he may have, the Director shall be counted in the quorum present when any such resolution is under consideration and if he votes on such resolution his vote shall be counted.
- 9.18 The Company may by ordinary resolution ratify any transaction or arrangement which has not been properly authorised by reason of a contravention of these Articles.
- 9.19 For the purposes of these Articles an interest or duty is "material" unless it cannot reasonably be regarded as likely to give rise to a conflict of interest.
- 9.20 The Directors may dispense with the keeping of attendance records for meetings of the Directors or committees of the Directors.

- 9.21 The office of a director of the Company, other than that of an Investor Director, shall, subject to the prior receipt of Investor Director Consent as to the relevant matter, be immediately vacated by such a director:
- (a) if he has a bankruptcy order made against him or suspends payment of or compounds with his creditors generally;
  - (b) if he becomes of unsound mind or a patient for the purpose of any statute relating to mental health or otherwise incapacitated;
  - (c) if by notice in writing to the Company he resigns his office;
  - (d) if he is prohibited by law from being a director or ceases to be a director by virtue of any provision of CA06;
  - (e) if he is removed from office by notice in writing signed by all his co-directors and served upon him;
  - (f) if he is removed from office by notice in writing signed by the Investor Majority; and/or
  - (g) if he shall for more than six consecutive calendar months have been absent without permission of the Directors From meetings of the Directors held during that period and the Directors resolve that his office be vacated.
- 9.22 The Directors, with the consent of an Investor Director, shall have power at any time to appoint any person to be a Director of the Company either to fill a casual vacancy or as an addition to the existing Directors.
- 9.23 The Directors may from time to time appoint one or more of their number to an executive office for such period and on such terms and conditions as they shall think fit and, subject to the terms and conditions of any agreement entered into in any particular case, may revoke such appointment. Subject to the terms and conditions of any such agreement the appointment of any Director as aforesaid shall automatically determine if he ceases from any cause to be a Director.
- 9.24 An executive officer appointed pursuant to Article 9.23 above shall receive such remuneration (either by way of salary, commission, participation in profits or pension or otherwise howsoever, whether similar to the foregoing or not) as the Directors may determine.
- 9.25 The Directors on behalf of the Company (acting with Investor Consent) but without the need for the approval by any resolution of the Company may establish, maintain, participate in and contribute to, or procure the establishment and maintenance of, participation in and contribution to, any pension, superannuation, benevolent or life assurance fund, scheme or arrangement (whether contributory or otherwise) for the benefit of any persons (including Directors, former Directors, officers and former officers) who are or shall have been at any time in the employment or service of the Company or of any company which at the time is or was a subsidiary or a holding company of the Company or another subsidiary of a holding company (as defined in section 1159 of CA06) of the Company or otherwise associated with the Company or of the predecessors of the Company in business or of any such other company as aforesaid, or for the benefit of the relations, spouses, widows, families, connections

or dependants of any such persons or for the benefit of any other persons whose service or services have directly or indirectly been of benefit to the Company and their relations, connections or dependants, and the Directors on behalf of the Company and, without the need for approval by any resolution of the Company, may grant or procure the grant of donations, gratuities, pensions, allowances, including allowances on death, or other payments or benefits of any kind to any of such persons as aforesaid; and the Directors on behalf of the Company and without the need for approval by any resolution of the Company may establish, subsidise, subscribe to or support institutions, associations, clubs, schools, funds or trusts calculated or considered to be for the benefit of any such persons as aforesaid or otherwise for the advancement of the interests and well-being of the Company or of any such other company as aforesaid or its members; and the Directors on behalf of the Company and without the need for approval by any resolution of the Company may make payments for or towards the insurance of any of such persons as aforesaid. Any such Director or former Director may participate in and retain for his own benefit any such donation, gratuity, pension, allowance, payment or other benefit conferred under or pursuant to this Article 9.25 and the receipt thereof shall not disqualify any person from being or becoming a director of the Company.

9.26 Any decision of the Directors must either be a majority decision at a meeting or a decision taken in accordance with Article 9.27. If:

(a) the Company has only one Director; and

(b) no provision of the Articles requires it to have more than one Director,

the general rule does not apply and the Director may, for so long as he remains the sole Director, take decisions without regard to the provisions of Articles 9.26 and 9.27.

9.27 A resolution in writing signed by all the eligible Directors for the time being in the United Kingdom (including an Investor Director, whether or not in the United Kingdom) shall be as valid and effectual as a resolution passed at a meeting of the Directors duly convened and held and may consist of several documents in the like form, each signed by one or more of the Directors.

9.28 A meeting of the Directors or of a committee of the Directors may consist of a conference between Directors who are not all in one place, provided that each is able (directly or by telephonic, video or web communication) to speak to each of the others and to be heard by each of the others simultaneously. A Director taking part in such a conference shall be deemed to be present in person at the meeting and shall be entitled to vote and be counted in a quorum accordingly. Subject to CA06, all business transacted in such manner by the Directors or a committee of the Directors shall for the purposes of these Articles be deemed to be validly and effectively transacted at a meeting of the Directors or a committee, notwithstanding that fewer than two directors or Alternate Directors are physically present at the same place. Such a meeting shall be deemed to take place where the largest group of those participating is assembled or, if there is no such group, where the chairman of the meeting then is. The word "meeting" in these Articles shall be construed accordingly.

9.29 Model Article 13 is modified by the insertion of the word "*eligible*" between the words "*the*" and "*participating*" in 13(1) and between the words "*each*" and "*director*" in 13(2).

## **10 BORROWING AND OTHER POWERS**

The Directors may exercise all the powers of the Company without limit as to amount to borrow and raise money and to accept money on deposit and to grant any security, mortgage, charge or discharge as they may consider fit for any debt or obligation of the Company or which is binding on the Company in any manner or way in which the Company is empowered so to grant and similarly, as they may consider fit, to enter into any guarantee, contract of indemnity or suretyship in any manner or way in which the Company is empowered so to enter into.

## **11 ALTERNATE DIRECTORS**

- 11.1 Any Director (other than an Alternate Director) may at any time by writing under his hand and deposited at the Office, or delivered at a meeting of the Directors, appoint any person to be his Alternate Director and may in like manner at any time terminate such appointment. If such Alternate Director is not another Director, such appointment, unless previously approved by the Directors, shall have effect only upon and subject to being so approved (provided that the appointment of an alternate by an Investor Director shall be effective immediately on notice of such appointment being given to the Company and shall not require the approval of the Directors).
- 11.2 The appointment of an Alternate Director shall determine on the happening of any event which, if he were a Director, would cause him to vacate such office, or if his appointor ceases to be a Director,
- 11.3 An Alternate Director shall (except when absent from the United Kingdom (other than in the case of an Alternate Director appointed by an Investor Director)) be entitled to receive notice of all meetings of the Directors and of all meetings of committees of the Directors of which his appointor is a member and shall be entitled to attend and vote as a Director at any such meetings at which his appointor is not personally present and generally at such meetings to perform all the functions of his appointor as a Director in his absence and for the purposes of the proceedings at such meeting the provisions of these Articles shall apply as if he were a Director. If his appointor is for the time being absent from the United Kingdom or temporarily unable to act through ill-health or disability, an Alternate Director's signature to any resolution in writing of the Directors shall be as effective as the signature of his appointor. Every person acting as an Alternate Director shall have one vote for each Director for whom he acts as alternate (in addition to his own vote if he is also a Director). An Alternate Director shall not (save as aforesaid) have power to act as a Director or be deemed to be a Director for the purposes of these Articles.
- 11.4 An Alternate Director may be repaid expenses and shall be entitled to be indemnified by the Company to the same extent *mutatis mutandis* as if he were a Director but he shall not be entitled by virtue of such appointment to receive from the Company any remuneration save for such proportion (if any) of the remuneration otherwise payable to his appointor as such appointor may by notice in writing to the Company from time to time direct.

## **12 INDEMNITY**

- 12.1 Subject to Article 12.2, a relevant officer of the Company may be indemnified out of the Company's assets against:

- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company;
  - (b) any liability incurred by that officer in connection with the activities of the Company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) CAO6); or
  - (c) any other liability incurred by that officer as an officer of the Company.
- 12.2 This Article does not authorise any indemnity which would be prohibited or rendered void by any provision of CAO6 or by any other provision of law.
- 12.3 In this Article 12 a "**relevant office**" means any Director or other officer or former Director or other officer of the Company, but excluding in each case any person engaged by the Company as auditor.

### 13 PERMITTED TRANSFERS

13.1 For the purposes of this Article 13:

- (a) "**Family Member**" means, in relation to a Member, any of his Spouse, civil partner (for the purposes of the Civil Partnership Act 2004), children and grandchildren (including step and adopted children and grandchildren);
- (b) "**Family Trust**" means, in relation to a Member, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that Member or any of his Family Members and under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his Family Members;
- (c) "**a member of the same group**" means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary or subsidiary undertaking of that body corporate or a subsidiary or subsidiary undertaking of any holding company of which that body corporate is also a subsidiary;
- (d) "**Permitted Transfer**" means any transfer of Shares permitted under this Article 13; and
- (e) "**Spouse**" means, in relation to a Member, either of his spouse (or widow or widower) or civil partner (for the purposes of the Civil Partnership Act 2004).

#### Transfers to Spouses and Family Trusts

13.2 When aggregated with all Shares:

- (a) owned by the Spouse of such Member on the Adoption Date;
- (b) owned by any company, partnership, unincorporated corporation or other entity under the control of a Member (and for the purposes of this Article 15 "**control**" has the same meaning as in section 1124 of CTA); and

(c) subject to Articles 13.3 to 13.5 (inclusive),

any Member who is an individual may with Investor Consent at any time during his lifetime transfer up to a maximum (when aggregated with all Shares previously transferred to either a Spouse or the trustees of a Family Trust in accordance with these Articles) of 30% (or such higher percentages that an Investor Majority may agree in writing) of the number of Shares originally allotted to and still held by him and/or his Permitted Transferees under this Article 13 to a person or persons shown to the reasonable satisfaction of the Board (and an Investor Majority) to be:

- (i) a Spouse of his; or
- (ii) trustees to be held under a Family Trust for that Member.

13.3 No transfer of Shares shall be made to the trustees of a Family Trust unless an Investor Majority has confirmed in writing its satisfaction (such satisfaction not to be unreasonably withheld or delayed):

- (a) with the terms of the instrument constituting the relevant Family Trust and in particular with the powers of the trustees including the express power to give warranties and indemnities on any disposal of trust property;
- (b) with the identity of the trustees and the procedures for the appointment and removal of trustees;
- (c) with the restrictions on changes in the terms of the relevant trust instrument and on distributions by the trustees;
- (d) that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by any Group Company; and
- (e) that the aggregate number of Shares held by that Member following that transfer is equal to or exceeds 70% of the number of Equity Shares and 70% of the number of Preference Share in each case originally allotted to that Member and still held by him and/or his Permitted Transferees under this Article 13.

13.4 Where Shares are held by trustees under a Family Trust:

- (a) those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved in writing by the Board (and an Investor Majority acting reasonably);
- (b) those Shares may at any time be transferred by those trustees to the settlor of that trust or the trustees of another Family Trust to whom that settlor could have transferred them under Article 13.2 if he had remained the holder of them; and
- (c) if and whenever any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under Article 13.4(b)), the trustees shall forthwith transfer all of the Shares then held by them back to the relevant Member, for such consideration as they agree, within 20 Business Days of the cessation or, in default of such agreement, at the Market Value

and if they do not do so within 28 Business Days of the date upon which the Shares ceased to be held under a Family Trust, an Investor Majority may require the trustees or the relevant holder of those Shares to serve a Transfer Notice in respect of such shares or may deem such a Transfer Notice to have been given.

- 13.5 If any person has acquired Shares as a Spouse of a Member by way of one or more Permitted Transfers and that person ceases to be a Spouse of that Member, that person shall forthwith transfer all the Shares then held by that person back to that Member, for such consideration as they agree, within 20 Business Days of the cessation or, in default of such agreement, at the Market Value and if that person shall not do so within 20 Business Days of the date upon which the Shares ceased to be held by a Spouse, an Investor Majority may require such person to serve a Transfer Notice in respect of such shares or may deem a Transfer Notice to have been given.

#### Transfers within groups of companies

- 13.6 Any Member which is a body corporate may at any time transfer any Shares held by it to a member of the same group.
- 13.7 Where Shares have been transferred under Article 13.6 (whether directly or by a series of such transfers) from a Member (the "**Transferor**") to a member of the same group as the Transferor (the "**Transferee**") and subsequent to such transfer the Transferee shall cease to be a member of the same group as the Transferor, then the Transferee shall forthwith transfer all the Shares held by it to the Transferor, for such consideration as they agree and if they do not do so within 20 Business Days of the date upon which the Transferee ceased to be a member of the same group, an Investor Majority may require the Transferee to serve a Transfer Notice in respect of such Shares or may deem a Transfer Notice to have been given.

#### Transfers between Funds

- 13.8 Any Shareholder who is an Investor or any person who holds Shares as a nominee, custodian or trustee or otherwise on behalf of an Investor may at any time transfer any Share to:
- (a) another Investor;
  - (b) any Investor Associate of that Investor;
  - (c) the beneficial owner of the Shares;
  - (d) any director or employee of any member of the Group;
  - (e) on a distribution in kind or otherwise under the relevant partnership agreement or trust deed or other constitutional document(s) of a Fund, the partners of a limited partnership or to the holders of units in a unit trust or to the shareholders of, participants in, or holders of any other interest in, any Fund;
  - (f) any co-investment scheme, being a scheme under which certain officers, employees, members or partners of an Investor or its adviser, manager,

operator, nominee or any member of its Investor Group are entitled or required (as individuals or through a Fund or any other vehicle) to acquire Shares ("**Co-Investment Scheme**");

- (g) any financial investor authorised by the Financial Conduct Authority or any equivalent authority in any jurisdiction or any reputable venture capital or private equity investor where that transfer is in connection with the transfer of shares in another company in the portfolio of that Investor;
- (h) its ultimate parent company or any other body corporate controlled, directly or indirectly, by it or its ultimate parent company PROVIDED ALWAYS THAT the transferee gives an undertaking to the Company that, in the event of any such body corporate ceasing to be controlled, directly or indirectly, by the original shareholder or such ultimate parent company, immediately prior to it so ceasing such shares shall be transferred to another body corporate so controlled (and for the purposes of this Article 13.8(h) "**control**" has the same meaning as in section 1124 of CTA);
- (i) any Shareholder holding Shares as a result of a transfer made after the date of the adoption of these Articles by a person in relation to whom such Shareholder was a Permitted Transferee under the provisions of this Article may at any time transfer any Share to the person who originally transferred such Shares (or to any other Permitted Transferee of such original transferor);
- (j) (in the case of any Share held by any nominee or trustee) any other nominee or trustee of the same beneficiary;
- (k) to any person, fund, partnership or company (or any nominee thereof) advised by H2 Equity Partners Limited or any of its subsidiaries; and
- (l) by the Original Investor (and/or any nominee of it) to the beneficial owners of that fund:
  - (i) on a bona fide sale at arms length to a third party of either substantially all of the assets of that fund or the fund itself; or
  - (ii) on a sale being required by law or regulatory authority.

#### Transfers with consent of an Investor Majority

- 13.9 A member may transfer Shares to any person at any time with the prior written consent of an Investor Majority.

#### Transfers of entire interest

- 13.10 A transfer of any Share pursuant to this Article 13 shall only be treated as a Permitted Transfer for the purposes of these Articles if it is a transfer of the entire legal and beneficial interest in such Share, free from any lien, charge or other encumbrance (save for any interest of beneficiaries under the relevant Family Trust, where applicable), other than where such transfer is a transfer from a nominee company on behalf of a Co-Investment Scheme.

#### Transfers pursuant to Article 19 (Put Option re C Ordinary Shares)



13.11 A member may transfer C Ordinary Shares pursuant to Article 19.

#### 14 COMPULSORY TRANSFER

14.1 Subject to Article 14.5, a Leaver and their Permitted Transferee(s) ("**Selling Shareholders**") shall be deemed on the Cessation Date to have served a sale notice ("**Sale Notice**") in respect of:-

- (a) all of the C Ordinary Shares then held by them in the case of a Leaver other than Mark Thompson; and
- (b) the Required Percentage of all the C Ordinary Shares then held by them where the Leaver is Mark Thompson,

("Leaver's Shares") offering such Leaver's Shares to such person(s) as the Investor Majority directs from time to time within the 12 month period after the Cessation Date ("**Directee(s)**").

14.2 A deemed service of a Sale Notice pursuant to Article 14.1 shall provide that the asking price ("**Asking Price**") in respect of each Leaver's Share shall be:

- (a) where the Leaver is a Bad Leaver the lower of:
  - (i) the Subscription Price; and
  - (ii) the Market Value at the Cessation Date ; and
- (b) where the Leaver is a Good Leaver:-
  - (i) the Relevant Percentage of the Market Value at the Cessation Date of each Leaver's Share for a Leaver other than Mark Thompson; and
  - (ii) the nominal amount for each Leaver's Share in the case of Mark Thompson.

14.3 Notwithstanding any other provision of this Article 14, an Investor Majority may, by notice in writing served on the Company and the Selling Shareholders prior to the expiry of 12 months from the date on which the relevant person became a Leaver, specify that the Asking Price in respect of any Leaver's Shares which are the subject of the deemed Sale Notice shall be greater than that which would otherwise apply pursuant to the provision of this Article 14 and, in that case the Investor Majority shall, in its absolute discretion, specify the relevant greater Asking Price applicable to such deemed Sale Notice.

14.4 Notwithstanding any other provision in these Articles, if:

- (a) a holder of Shares becomes a Leaver; and/or
- (b) a Leaver or their Permitted Transferee(s) retain any Shares,

any Shares registered in the name of such person(s) shall not confer the right to receive notice of, attend or vote at any general meeting of the Company or any written resolution of the Company or any written resolution or written consent of that

class of Shares and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or on any such written resolution or written consent of any members or class of members nor shall the holder of such Shares be entitled to participate in any allotment of Shares pursuant to Article 3.6.

- 14.5 An Investor Majority may, by notice in writing served on the Company and the Selling Shareholders, prior to the expiry of 12 months from the Cessation Date, specify that not all of the Leaver's Shares are to be the subject of the deemed Sale Notice.
- 14.6 The Sale Notice shall make the Company the agent of the Selling Shareholder for the sale of the Leaver's Shares on the following terms:
- (a) the price for each Leaver's Share is the Asking Price;
  - (b) the Leaver's Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them;
- 14.7 If a Selling Shareholder does not transfer Leaver's Shares within 2 Business Days of being requested to do so by the Company, the Company may authorise any Director to transfer the Leaver's Shares on the Selling Shareholder's behalf to the Directee(s) against receipt by the Company of the Asking Price per Leaver's Share. The Company shall hold the Asking Price in trust for the Selling Shareholder without any obligation to pay interest. The Company's receipt of the Asking Price shall be a good discharge to the Directee(s). The Directors shall then authorise registration of the transfer once appropriate stamp duty has been paid. The defaulting Selling Shareholder shall surrender his share certificate for their Leaver's Shares to the Company. On surrender or provision of an indemnity in a form approved by an Investor Director, they shall be entitled to the Asking Price for their Leaver's Shares.

## 15 TAG-ALONG

- 15.1 If at any time one or more members (the "**Proposed Sellers**") propose to sell to any person, in one or a series of related transactions (other than as part of a solvent reorganisation or a sale to one or more Permitted Transferees), A Ordinary Shares representing a Controlling Interest (a "**Proposed Sale**"), the Proposed Sellers shall give written notice of any Proposed Sale to the other holders of Shares at least 5 Business Days prior to the proposed date of completion thereof. Such notice shall set out, to the extent not described in any accompanying documents, the identity of the proposed buyer (the "**Proposed Buyer**"), the sale price and other terms and conditions of payment, the proposed date of sale and the number of Shares to be acquired by the Proposed Buyer.
- 15.2 The Proposed Sale may not be completed unless the Proposed Buyer has unconditionally (other than in respect of anti-trust clearances) offered to buy all other issued Shares (other than any Shares already held by the Proposed Buyer or persons connected to or acting in concert with him) on the following terms:
- (a) the consideration paid for each Equity Share shall be the same consideration being paid to the Proposed Sellers for their A Ordinary Shares pursuant to the Proposed Sale and the consideration paid for each Preference Share and A Preference Share shall be the same consideration being paid to the Proposed

Sellers for their Preference Shares and/or A Preference Shares subject to any adjustment to reflect the provisions of Article 4.2; and

- (b) shall be paid at the same time and shall be subject to the same payment terms as apply to the Proposed Sale,

(such offer being a "**Tag Offer**").

15.3 A Tag Offer shall be made in writing and shall remain open for acceptance for not less than 5 Business Days.

15.4 Each Shareholder who accepts a Tag Offer (a "**Tagging Shareholder**"):

- (a) shall transfer the legal and beneficial interest in the Shares in respect of which it has accepted the Tag Offer to the Proposed Buyer with full title guarantee on the date specified by the Proposed Sellers, and agrees that it may be required to give such warranties, indemnities, representations and covenants as are agreed to by the Proposed Sellers pursuant to the Proposed Sale; and
- (b) shall pay its pro rata share (calculated by reference to the total number of Equity Shares being transferred by the Tagging Shareholder(s) and the Proposed Sellers), as a deduction from the gross pre-tax proceeds to be received, without prejudice to any other deductions lawfully required to be made, of the costs incurred by the Proposed Sellers in connection with the Proposed Sale and the transfer of Shares pursuant thereto to the extent that it can reasonably be demonstrated that such costs were incurred on behalf of all the Tagging Shareholders.

15.5 The provisions of this Article 15 shall not apply to any Proposed Sale which is a Permitted Transfer under Article 13 (*Permitted Transfers*) or transfers pursuant to Article 16 (*Drag-Along*).

## **16 DRAG-ALONG**

16.1 If at any time one or more members propose to sell A Ordinary Shares representing a Controlling Interest (the "**Accepting Shareholders**") to a buyer ("**Offeror**") then the Accepting Shareholders may give written notice (a "**Drag Notice**") to the remaining members (the "**Other Shareholders**") and each of the Other Shareholders shall thereupon become bound to transfer the legal and beneficial interest in their Shares to the Offeror with full title guarantee on the date specified by the Accepting Shareholders (the "**Drag Completion Date**") by delivering to the Company on or before the Drag Completion Date:

- (a) the relevant share certificate(s) (or an indemnity in lieu thereof in a form approved by an Investor Director) in respect of the Shares held by him;
- (b) a duly executed sale agreement or form of acceptance (in a form acceptable to the Accepting Shareholders) pursuant to which the Other Shareholders provide representations and warranties as to title to, and ownership of, the Shares held by them; and

- (c) a duly executed form of transfer in respect of those Shares in favour of the Offeror,

and if required by an Investor Majority, shall sign, execute and deliver such other documents as may reasonably be required to effect the transfer of any Shares to the Offeror. The consideration paid for each Share shall be the highest price paid to the Accepting Shareholder for each class of their Shares and shall take account of the operation of Article 4.2.

- 16.2 If any Other Shareholder shall fail to comply with its obligations under Article 16.1, then any Accepting Shareholder shall be entitled to execute, and shall be entitled to authorise and instruct such person as he thinks fit to execute, the necessary forms of transfer and other documents on the Other Shareholder's behalf and, against receipt by the Company of the consideration payable for the relevant Shares, to deliver such documents to the Offeror and to register such Offeror as the holder thereof and, after such registration, the validity of such proceedings shall not be questioned by any person. If the consideration offered to the Other Shareholders includes a right to subscribe for or acquire any share, debt instrument or other security in the capital of the Offeror (or any other member of the Offeror Group) as an alternative (whether in whole or in part) to the consideration payable in cash then the relevant Other Shareholders shall be deemed to have accepted the same alternative as the Accepting Shareholders if the Accepting Shareholders so direct and neither the Board, nor the Company, nor any Accepting Shareholder shall have any liability to the Other Shareholders in relation to such election. The Company shall hold the consideration payable for the relevant Shares in trust for the Other Shareholder but shall not be bound to earn or pay interest thereon. The issue of a receipt by the Company for the consideration shall be a good receipt for the price for the relevant Shares but the buyer shall not be discharged from procuring that the Company applies the money in payment to the Other Shareholder which shall be made against delivery by the Other Shareholder of the certificate in respect of the Shares or an indemnity in respect of the same in a form approved by an Investor Director. After the name of the buyer has been entered in the register of members of the Company in purported exercise of the aforesaid powers the validity of the proceedings shall not be questioned by any person.
- 16.3 If any Shares are allotted by the Company (whether pursuant to the exercise of pre-existing options or warrants or otherwise) at any time after the date of the Drag Notice ("**Further Drag Shares**"), the Accepting Shareholders (whose composition shall be determined without taking into account the holders of any Further Drag Shares which are A Ordinary Shares) shall be entitled to give written notice to the holders of the Further Drag Shares whereupon such holders shall become bound to transfer their Further Drag Shares to the Offeror with full title guarantee on the date specified in such notice and for the same consideration payable pursuant to the Qualifying Offer. The provisions of Articles 16.2 and 16.4 shall apply mutatis mutandis to any transfer of Shares under this Article 16.3.
- 16.4 Each Other Shareholder shall pay its pro-rata share (calculated by reference to the number of Equity Shares held by each Shareholder), as a deduction from the gross pre-tax proceeds to be received pursuant to the Qualifying Offer, without prejudice to any other deductions lawfully required to be made, of the costs incurred by the Accepting Shareholders in connection with the Qualifying Offer and the transfer of Shares pursuant thereto to the extent that it can reasonably be demonstrated that such costs were incurred on behalf of the Other Shareholders.

## 17 APPOINTMENT OF DIRECTORS & OBSERVER

- 17.1 For so long as any Investor is a member of the Company, the Investors will together have the right, by notice in writing addressed to the Company signed by or on behalf of each of them and delivered to the Office, to appoint persons to the Board and to the board of directors of any member of the Group and remove any such person or persons and appoint a replacement, each to be an Investor Director.
- 17.2 Without prejudice to any other rights the Investor Majority may have under these Articles or as a matter of law, the Investor Majority are entitled, from time to time at any time, to appoint to, and remove from, the Board and the board of directors of any Group Company and any committee thereof such number of directors as they may direct.
- 17.3 The Investor Majority will also have the right from time to time by notice in writing to appoint an observer to the Company in addition to any Investor Director (the "**Observer**"). The Company will:
- (a) provide the Observer with at least 5 Business Days' notice prior to the holding of all Directors' meetings (or meetings of committees of the Directors) and members' meetings of the Company or any member of the Group together with copies of all appropriate notices, agendas and papers prepared for such meetings or distributed to any of the Directors or members of the Company or any member of the Group in respect of such meetings; and
  - (b) allow the Observer to attend all meetings of the Directors (or committees of the Directors) and of members of the Company or any member of the Group and to speak at such meetings.
- 17.4 The Observer shall be entitled to disclose to the Investors and to any bank or other financial institution with an investment in the Company (but not to any other person, firm or company) any such information relating to the Company and its subsidiaries as he from time to time thinks fit.
- 17.5 For the avoidance of doubt the Observer shall not be a Director or any member of the Group and shall not count in the quorum or be entitled to vote at any meeting he attends.
- 17.6 The Investors, any Investor Directors and any Observer may pass any information received from the Company to:
- (a) any associated company of the Investors;
  - (b) any adviser to, trustee or manager of or investors or prospective investors in any fund advised or managed by the Investors or any associated company of the Investors;
  - (c) the Investors' professional advisers;
    - (i) any lender of the Company (including the Bank); and

- (ii) any person to whom the Investors propose to syndicate any part of its or their investment and that person's professional advisers whose identity has first been disclosed to the Board.

17.7 Notice of meetings of the Directors shall be served on any Investor Director who is absent from the United Kingdom at the address notified by him to the Company for this purpose. A Director may waive the requirement that notice be given to him of a Directors meeting either prospectively or retrospectively and Model Article 8(6) shall be modified accordingly.

17.8 Each Investor Director and/or Observer shall be entitled to report back to the members appointing him on the affairs of the Company and its subsidiaries and to disclose to such members such information as he shall reasonably consider appropriate including, for the avoidance of doubt, all papers distributed to the Directors.

## 18 NOTICES

18.1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient:

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

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

18.2 In proving any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by CA06.

## 19 PUT OPTION RE C ORDINARY SHARES

19.1 For a period of 3 calendar months from the date on which any C Ordinary Shares are issued (the "**Relevant Period**"), any holder (the "**Putting Shareholder**") of C Ordinary Shares (the "**Put Shares**") shall have the option (the "**Put Option**")

exercisable by irrevocable notice in writing to the Company, to be received prior to the expiry of the Relevant Period (the **"Put Notice"**), to elect that all (but not less than all) of his Put Shares be purchased from him, at an aggregate purchase price of £2,500 for all Put Shares held by him (the **"Put Share Consideration"**). For the avoidance of doubt, if a Put Notice is not received by the Company in respect of any Put Shares prior to the expiry of the Relevant Period, the Put Option in respect of such Put Shares shall automatically lapse.

- 19.2 Following receipt by the Company of a Put Notice served in accordance with Article 19.1, the Company shall determine how many, if any, of the Put Shares are to be acquired by the Company and cancelled (a **"Put Buyback"**) and how many, if any are to be transferred (a **"Put Transfer"**) to such person as nominated by the Company in accordance with Article 19.5 (a **"Put Purchaser"**), save that, for the avoidance of doubt, nothing in this Article 19 shall create any obligation on the Company to acquire any Put Shares in circumstances where it is not permitted to do so pursuant to the provisions of the CA06, any other legislation to which the Company is subject, or otherwise. The aggregate of all Put Shares being acquired by way of a Put Buyback and the Put Shares being acquired by way of a Put Transfer shall, in each case, be equal to the total number of Put Shares the subject of the Put Notice.
- 19.3 As soon as reasonably practicable following the determination by the Company that some or all of the Put Shares which are to be acquired pursuant to a Put Buyback:
- (a) the Company shall send a notice to the Putting Shareholder notifying them of the number of their Put Shares are to be acquired pursuant to a Put Buyback;
  - (b) within 10 Business Days of receipt by the Company of the approval of the Put Buyback by the members of the Company in accordance with the provisions of the CA06, the Company shall send a notice confirming receipt of the same to the Putting Shareholder enclosing the share sale agreement (containing such warranties as to title and ownership to the Put Shares as the Company considers appropriate) which has been approved by the members in accordance with the CA06 and any other documents which the Company considers reasonably required to give effect to the Put Buyback;
  - (c) within 5 Business Days of receipt by the Putting Shareholder of the notice and documentation referred to in Article 19.3(b) above, the Putting Shareholder shall deliver to the Company:
    - (i) the share certificate(s) (or an indemnity in a form that is reasonably satisfactory to the Company in respect of a share certificate that cannot be produced) in respect of the Put Shares being acquired pursuant to the Put Buyback; and
    - (ii) a duly executed copy of the share sale agreement and any other document notified to the Putting Shareholder as being required in connection with the Put Buyback in the notice referred to in Article 19.3(b) above; and
    - (iii) within 5 Business Days of receipt by the Company of the documentation set out in Article 19.3(c) above, the Company shall procure the payment to the Putting Shareholder of such amount of the

Put Share Consideration as relates to the Put Shares acquired by way of the Put Buyback.

- 19.4 As soon as reasonably practicable following the determination by the Company that some or all of the Put Shares are to be acquired by way of a Put Transfer, or where any Put Shares are proposed to be acquired by way of a Put Buyback and such proposed Put Buyback does not receive the necessary approval of the members in accordance with the CA06 or is otherwise not permitted:
- (a) the Company shall send a notice to the Putting Shareholder notifying them of the number of their Put Shares are to be acquired pursuant to a Put Transfer, enclosing a share sale agreement (containing such representations and warranties as to title and ownership to the Put Shares as the Company considers appropriate), a form of transfer in respect of the Put Shares and any other documents which the Company considers reasonably required to give effect to the Put Transfer;
  - (b) within 5 Business Days of receipt by the Putting Shareholder of the notice and documentation referred to in Article 19.4(a) above, the Putting Shareholder shall deliver to the Company:
    - (i) the share certificate(s) (or an indemnity in a form that is reasonably satisfactory to the Company in respect of a share certificate that cannot be produced) in respect of the Put Shares being acquired pursuant to the Put Transfer; and
    - (ii) duly executed copies of the share sale agreement, the form of transfer and any other document notified to the Putting Shareholder as being required in connection with the Put Transfer in the notice referred to in Article 19.4(a) above; and
    - (iii) within 5 Business Days of receipt by the Company of the documentation set out in Article 19.4(b) above, the Put Purchaser shall procure the payment to the Putting Shareholder of such amount of the Put Share Consideration as relates to the Put Shares acquired by way of the Put Transfer.
- 19.5 The transferee of any Put Transfer may be:
- (a) any Investor;
  - (b) a current, new or prospective employee, director or consultant of the Group;
  - (c) an Employee Benefit Trust or any other warehousing vehicle for the benefit of employees; and/or
  - (d) in the absence of a person falling within paragraphs (a) to (c) above having been identified as yet, any other person nominated by the Remuneration Committee (with Investor Consent).



## 20 DEFINITIONS

20.1 In the Articles the following words and expressions shall, unless the context otherwise requires, bear the following meanings:

**"Accepting Shareholders"** shall have the meaning attributed to it in Article 16.1.

**"Acquired Date"** means the Adoption Date or such later date on which the relevant Leaver acquired their Leaver's Shares.

**"acting in concert"** shall bear the meaning attributed to it in the Code.

**"Adoption Date"** means the date of adoption of these Articles.

**"Adjusted Financial Covenant"** means each financial covenant in clause 23.2.1 (*Cashflow Cover*), clause 23.2.2 (*Interest Cover*), 23.2.3 (*Adjusted Leverage*) and clause 23.2.4 (*Capital Expenditure*) of the Facilities Agreement (with defined terms therein as defined in the Facilities Agreement) and tested in accordance with clause 23.3 (*Financial testing*) of the Facilities Agreement, except that:

- (a) for the purposes of calculating the covenant in clause 23.2.1 (*Cashflow Cover*), the ratio to be applied for a Relevant Period (as defined in the Facilities Agreement) shall be 1.1:1;
- (b) for the purposes of calculating the covenant in clause 23.2.2 (*Interest Cover*), the ratio to be applied for a Relevant Period (as defined in the Facilities Agreement) shall be 4.4:1;
- (c) for the purposes of calculating the covenant in clause 23.2.3 (*Adjusted Leverage*), the ratio to be applied for a Relevant Period (as defined in the Facilities Agreement) shall be that stated in respect of that Relevant Period in column 2 of the table set out in clause 23.2.3 of the Facilities Agreement save that the first ratio figure shall be decreased by an amount equal to 10 per cent. of the amount of the first ratio figure stated. For example for the Relevant Period expiring 31 March 2016, the ratio in column 2 of the table set out in clause 23.2.3 of the Facilities Agreement is 4.11:1 meaning the ratio for these purposes would be 3.699:1; and
- (d) for the purposes of calculating the covenant in clause 23.2.4 (*Capital Expenditure*), the percentage applied for a Relevant Period (as defined in the Facilities Agreement) shall be 112.5%.

**"Alternate Director"** shall have the meaning attributed to it in Article 11.1.

**"A Ordinary Shares"** means the A ordinary shares of £0.01 each in the capital of the Company.

**"A Preference Dividend"** shall have the meaning attributed to it in Article 5.1(b).

**"A Preference Shares"** means the A preference shares of £0.001 each in the capital of the Company.

**"A Preference Share Value"** means the aggregate of:

- (a) the Subscription Price for the A Preference Shares; and
- (b) notwithstanding Article 5.1, as from and to the extent that any accrued A Preference Dividend is not paid in full on 31 December in any year, until paid the unpaid amount of such A Preference Dividend.

**"Asking Price"** shall have the meaning attributed to it in Article 14.2.

**"Auditors"** means the auditors of the Company from time to time.

**"Balance"** shall have the meaning attributed to it in Article 4.2.

**"B Ordinary Shares"** means the B ordinary shares of £0.01 each in the capital of the Company.

**"Bad Leaver"** means a Leaver, who is not a Good Leaver.

**"Bank"** means Clydesdale Bank plc (trading as Yorkshire Bank) and/or such other bank which is a party to any Banking Documents and specified by an Investor Director as a "Bank".

**"Banking Documents"** means the Finance Documents (as such term is defined in the Facilities Agreement) or such other document or documents as may from time to time be entered into by the Company with the prior written consent of the Investor Majority and specified by an Investor Director a **"Banking Document"**.

**"Board"** means the board of directors of the Company from time to time or any duly constituted committee of it.

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

**"Business Plan"** shall have the meaning attributable to it in the Investment Agreement.

**"Buyer"** shall bear the meaning attributed to it in Article 16.1 (*Drag-Along*).

**"Called Shareholders"** shall bear the meaning attributed thereto in Article 16.1 (*Drag-Along*).

**"CA06"** means the Companies Act 2006 and any statutory modification or re-enactment of such Act for the time being in force.

**"Cessation Date"** means the date on which a Leaver (a) dies or (b) ceases to be employed by, or a consultant to, any Group Company and/or hold the office of director in any Group Company and for these purposes the date of cessation of consultancy services or employment or office shall be deemed to be the date upon which the contract of employment or appointment as director of the relevant person terminates or, if earlier, the date upon which the Leaver gives or is given notice of termination of his consultancy agreement or contract of employment or of his appointment as director whether or not such notice is valid.

**"Chairman"** shall have the meaning attributed thereto in the Investment Agreement.

"**Code**" means the City Code on Takeovers and Mergers as in force for the time being.

"**Co-Investment Scheme**" shall be as defined in Article 13.8(f).

"**Company**" means GBUK Group Limited (company number: 9458917).

"**Controlling Interest**" means Shares representing more than 50% of Voting Rights.

"**C Ordinary Shares**" means the C ordinary shares of £0.01 each in the capital of the Company.

"**CTA**" means the Corporation Tax Act 2010.

"**Deed of Adherence**" means a deed of adherence pursuant to which the signatory agrees to be bound by the terms of the Investment Agreement in form approved by the Board with the consent of the Investor Director and including a covenant for the re-transfer of such Shares if the grounds upon which such transfer was permitted (if relevant) cease to exist.

"**Default Articles**" means the regulations contained in Schedule 1 of the Companies (Model Articles) Regulations 2008.

"**Directors**" means the directors of the Company from time to time.

"**Drag Completion**" shall have the meaning attributed to it in Article 16.1.

"**Drag Notice**" shall have the meaning attributed to it in Article 16.1.

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

"**Employee Member**" means any member who is a trust for the benefit of employees of any Group Company, any member who is or was an employee or consultant or director of the Company or any of its subsidiaries and any person who acquired Shares from any such member pursuant to a Permitted Transfer under Article 13;

"**Employee Trust**" means a trust approved by an Investor Director whose beneficiaries are bona fide employees of the Group;

"**Equity Shares**" the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares.

"**Exit**" means a Sale or Listing.

"**Facilities Agreement**" means the facilities agreement dated on or around the Adoption Date between, inter alia, (1) the Company and certain of its subsidiaries and (2) Clydesdale Bank plc (trading as Yorkshire Bank) (in various capacities), as amended, supplemented, extended or restated from time to time and/or such other document or documents as may from time to time be entered into by any Group Company.

**"Family Member"** shall have the meaning attributed to it in Article 13.1(a).

**"Family Trust"** shall have the meaning attributed to it in Article 13.1(b).

**"FSMA"** means the Financial Services and Markets Act 2000.

**"Fund"** means any fund, bank, company, unit trust, investment trust, investment company, limited, general or other partnership, industrial provident or friendly society, any collective investment scheme (as defined by FSMA), any investment professional (as defined in article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion Order) 2005 (the **"FPO"**)), any high net worth company, unincorporated association or partnership (as defined in article 49(2) of the FPO) or any high value trust (as defined in article 49(6) of the FPO), any pension fund or insurance company or any person who is an authorised person under the FSMA.

**"Further Drag Shares"** shall have the meaning attributed to it in Article 16.3.

**"Good Leaver"** means any Leaver, where the cessation of employment or consultancy or office is:

- (a) as a result of death;
- (b) due to incapacity through ill health or disability which, in the reasonable opinion of (and confirmed in writing by) a physician nominated by the Board, gives rise to incapacity to continue in his employment;
- (c) in the case of Mark Thompson only, as a result of his retirement at any time after 31 December 2018;
- (d) in circumstances where the Original Investor in its discretion approves, the relevant Leaver being treated as a Good Leaver.

**"Group"** means the Company and its subsidiaries from time to time and **"Group Company"** and **"member of the Group"** shall be construed accordingly.

**"Group Company Interest"** shall have the meaning attributed to it in Article 9.8.

**"Investment Agreement"** means the Investment Agreement entered into by the (1) Company, (2) the Original Investor (as defined therein), (3) Guy Roderick Mills and (4) the Original Managers (as defined therein) on 13 November 2015 as varied from time to time together with any agreements supplemental to it.

**"Investor Associate"** means, in relation to an Investor:

- (a) each member of that Investor's Investor Group (other than the Investor itself);
- (b) any general partner, limited partner or other partner in, or trustee, nominee, custodian, operator or manager of, or investment adviser to, that Investor or any member of its Investor Group;
- (c) any member of the same group of companies as any trustee, nominee, custodian, operator or manager of, or investment adviser to, that Investor or any member of its Investor Group;

- (d) any Fund which has the same general partner, trustee, nominee, operator, manager or investment adviser as that Investor or any member of its Investor Group;
- (e) any Fund which is advised, or the assets of which (or some material part thereof) are managed (whether solely or Jointly with others), by that Investor or any member of its Investor Group;
- (f) any Fund in respect of which that Investor or any member of its Investor Group is a general partner; or
- (g) any Co-Investment Scheme of that Investor or any member of its Investor Group.

**"Investor Consent"** means the prior written consent of the holders of at least 50% of the number of A Ordinary Shares then in issue.

**"Investor Director"** means a director appointed pursuant to Article 17.1 or, if there is no Investor Director at the relevant time, the Observer (if any).

**"Investor Director Interest"** shall have the meaning attributed to it in Article 9.9.

**"Investor Group"** means, in relation to an Investor, that Investor (and the general partner of that Investor where it is a limited partnership) and its subsidiary undertakings or, as the case may be, that Investor, any parent undertaking, whether direct or indirect, of that Investor (and the general partner of that Investor) and any other subsidiary undertaking of any such parent undertaking from time to time and references to **"member"** or **"members"** of the or an or its **"Investor Group"** shall be construed accordingly.

**"Investor Majority"** means the holders from time to time of at least 50% of the number of A Ordinary Shares then in issue.

**"Investors"** shall bear the meaning attributed thereto in the Investment Agreement.

**"Leaver"** means any holder of B Ordinary Shares and/or C Ordinary Shares who (a) dies or (b) ceases to be engaged as a consultant or an employee and/or executive director of any member of the Group (or in the case of Mr Mills and Mark Thompson only, a non-executive director of any member of the Group) (whether or not his consultancy agreement or contract of employment or appointment to office is validly terminated) and does not continue or is not immediately re-engaged or re-employed or re-appointed as a consultant or an employee and/or executive director of any member of the Group (or in the case of Mr Mills and Mark Thompson only, a non-executive director of any member of the Group) and for these purposes the date on which cessation occurs shall be the Cessation Date.

**"Leaver's Shares"** shall have the meaning attributed to it in Article 14.1.

**"Liquidation"** means the making of a winding up order by the court or the passing of a resolution by the members that the Company be wound up.

**"Listing"** the admission of the Company's shares to trading the Official List of London Stock Exchange plc or the admission to trading of the Equity Shares on any market deemed by the Investors or an Investor Director to be of sufficient standing.

**"Market Value"** means:-

- (a) in respect of an Equity Share, an amount for a relevant Equity Share resulting from the allocation of the amount set out below "V" in accordance with Article 4.2 with V being used as the Balance for these purposes:-

$$V = (\text{EBITDA} \times 7) - \text{Debt}$$

Where:

**"EBITDA"** means earnings before interest tax and depreciation as derived from the audited accounts for the Group for the financial period ending immediately before the relevant date.

**"Debt"** means as the relevant date the aggregate of:-

- (i) interest bearing debt together with all accrued but unpaid interest thereon;
  - (ii) the aggregate Subscription Price of the Preference Shares and the A Preference Shares in issue; and
  - (iii) debt like items of the type included in the debt like items section of the Locked Box Schedule (as defined in the Acquisition Agreement); and
- (b) in respect of a Preference Share the Preference Share Value and in respect of an A Preference Shares the A Preference Share Value.

**"member"** means a person (whether an individual or a corporation) who holds Shares.

**"New Manager(s)"** means such person or persons, approved by an Investor Director, who has or have been or will be recruited as a director or employee or consultant of the Group.

**"Observer"** shall have the meaning attributed to it in Article 17.3.

**"Offeror"** shall have the meaning given to it in Article 16.1.

**"Office"** means the registered office of the Company.

**"Original Investor"** shall bear the meaning attributed thereto in the Investment Agreement.

**"Other Shareholders"** shall have the meaning attributed to it in Article 16.1.

**"Permitted Transfer"** shall have the meaning attributed to it in Article 13.1(d).

**"Permitted Transferee"** means, in respect of any Employee Member, any Family Member or Family Trust of that Employee Member.

**"Preference Dividend"** shall have the meaning attributed to it in Article 5.1(a).

**"Preference Shares"** means the preference shares of £0.001 each in the capital of the Company.

**"Preference Share Value"** means the aggregate of:

- (c) the Subscription Price for the Preference Shares; and
- (d) notwithstanding Article 5.1, as from and to the extent that any accrued Preference Dividend is not paid in full on 31 December in any year, until paid the unpaid amount of such Preference Dividend.

**"Proceeds"** shall bear the meaning attributed to it in Article 4.2.

**"Proposed Buyer"** shall have the meaning attributed to it in Article 15.1.

**"Proposed Sale"** shall have the meaning attributed to it in Article 15.1.

**"Proposed Sellers"** shall have the meaning attributed to it in Article 15.1.

**"Put Buy Back"** shall have the meaning attributed to it in Article 19.2.

**"Put Notice"** shall have the meaning attributed to it in Article 19.1.

**"Put Option"** shall have the meaning attributed to it in Article 19.1.

**"Put Purchase"** shall have the meaning attributed to it in Article 19.3.

**"Put Share Consideration"** shall have the meaning attributed to it in Article 19.1.

**"Putting Shareholder"** shall have the meaning attributed to it in Article 19.1.

**"Put Shares"** shall have the meaning attributed to it in Article 19.1.

**"Put Transfer"** shall have the meaning attributed to it in Article 19.2.

**"Relevant Investor"** shall have the meaning attributed to it in Article 9.9(a).

**"Relevant Percentage"** means:

- (a) if the Leaver's Shares were acquired on the Adoption Date, then:-
  - (i) if the Cessation Date is on or prior to 31 December 2016, the Relevant Percentage shall be 20%;
  - (ii) if the Cessation Date is after 31 December 2016 but on or prior to 31 December 2017, the Relevant Percentage shall be 40%;

- (iii) if the Cessation Date is after 31 December 2017 but on or prior to 31 December 2018, the Relevant Percentage shall be 60%; and
  - (iv) if the Cessation Date is after 31 December 2018, the Relevant Percentage shall be 80%; or
- (b) if the Leaver's Shares were acquired after the Adoption Date, then:-
  - (i) if the Cessation Date is on or prior to the date falling 12 months after the Acquired Date (the "**First Anniversary**"), the Relevant Percentage shall be 20%;
  - (ii) if the Cessation Date is after the First Anniversary but on or prior to the date falling 24 months after the Acquired Date ("**Second Anniversary**"), the Relevant Percentage shall be 40%;
  - (iii) if the Cessation Date is after the Second Anniversary but on or prior to the date falling 36 months after the Acquired Date ("**Third Anniversary**"), the Relevant Percentage shall be 60%; and
  - (iv) if the Cessation Date is after the Third Anniversary, the Relevant Percentage shall be 80%.

"**Relevant Period**" shall have the meaning attributed to it in Article 19.1.

"**Required Percentage**" means:

- (a) if the Cessation Date is on or prior to 31 December 2016, the Relevant Percentage shall be 80%;
- (b) if the Cessation Date is after 31 December 2016 but on or prior to 31 December 2017, the Relevant Percentage shall be 60%;
- (c) if the Cessation Date is after 31 December 2017 but on or prior to 31 December 2018, the Relevant Percentage shall be 36%; and
- (d) if the Cessation Date is after 31 December 2018, the Relevant Percentage shall be 15%

"**Sale**" means the sale or other disposal (whether by one transaction or a series of related transactions) of:

- (a) the whole or a substantial part of the business and assets of the Company or any Group Company (other than to a Group Company which is the Company or a wholly owned subsidiary of the Company); or
- (b) 50% or more of the issued equity share capital of any Group Company or Group Companies (other than the Company) to the extent it or they comprise the whole or a substantial part of the business and assets of the Group; or
- (c) the sale or other disposal (whether by one transaction or a series of related transactions) of 50% or more of the issued equity share capital of the Company; or



- (d) where the purchaser(s) and its connected persons (within the meaning of Section 252 of the Act) or associated bodies corporate (within the meaning of Section 256 of the Act), as appropriate, already hold shares in the capital of the Company, the sale or other disposal of such number of shares such that the purchaser(s) and his connected persons or associated bodies corporate, as appropriate, hold 50% or more of the issued equity share capital of the Company.

**"Sale Notice"** shall have the meaning attributed to it in Article 14.1.

**"Selling Shareholders"** shall have the meaning attributed to it in Article 14.1.

**"Shares"** means shares in the share capital of the Company.

**"Situational Conflict"** shall mean a direct or indirect interest of a Director which conflicts or may potentially conflict with the interests of the Company (other than a Transactional Conflict or in circumstances which cannot reasonably be regarded as likely to give rise to a conflict of interest). For these purposes a conflict of interest shall include a conflict of interest and duty and a conflict of duties;

**"Spouse"** shall have the meaning attributed to it in Article 13.1(e).

**"Subscription Price"** means, in relation to any Share in the Company, the price at which such Share is issued, being the aggregate of the amount paid up or credited as paid up in respect of the nominal value of such Share and any share premium thereon;

**"Tagging Shareholder"** shall have the meaning attributed to it in Article 15.4.

**"Tag Offer"** shall have the meaning attributed to it in Article 15.2.

**"Transactional Conflict"** shall mean a direct or indirect conflict of interest of a Director which arises in relation to an existing or proposed transaction or arrangement with the Company;

**"Transferee"** shall have the meaning attributed to it in Article 13.7.

**"Transferor"** shall have the meaning attributed to it in Article 13.7.

**"Voting Rights"** means the right to receive notice of, attend (in person or by proxy), speak (in person or by proxy) and vote (in person or by proxy) at general meetings of the Company; and

**"Warehouse"** means the Employee Trust.

20.2 Without prejudice to Article 1, the regulations contained in the Model Articles shall apply to the Company save insofar as they are amended by or are inconsistent with these Articles, and in particular:

- (a) in Model Article 52 the words *"which is partly paid for any part"* shall be omitted and the words *"and the Company shall also have a first and paramount lien on all shares standing registered in the name of a single person or in the name of any person jointly with another or others for all*

*monies presently payable by him or any of them or his estate or their estates to the Company*" shall be inserted after the words "*in respect of it*"; and

- (b) in Model Article 57(1)(b) the words "*and all expenses that may have been incurred by the Company by reason of such non-payment*" shall be inserted after the words "*at the relevant rate*".

20.3 Words and expressions defined in CA06 shall, unless the context otherwise requires, bear the same meanings herein.