

Company No. 09804873

ARTICLES OF ASSOCIATION

OF

CERES (EAST MIDLANDS) LIMITED

(Adopted by special resolution passed on 22 August 2023)

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ARTICLES OF ASSOCIATION
OF
CERES (EAST MIDLANDS) LIMITED
("Company")

(Adopted by special resolution passed on 22 August 2023)

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles, unless the context requires otherwise:

"A Share" means an A ordinary share of £1.00 in the Company;

"A Shareholder" means the holder of the A Shares;

"Accepting Shareholder" has the meaning given to it in Article 12.5;

"Accounts Date" means the end of the Year preceding the Year in which an Option Notice is exercised;

"Act" means the Companies Act 2006;

"Acting in Concert" has the meaning given to it in the City Code on Takeovers and Mergers for the time being in force;

"Adjusted EBITDA" means consolidated profits before tax (if any) on ordinary activities of the Group as shown in its latest audited accounts adjusted as follows:

- (a) after deducting any minority interests (gross before deduction of tax);
- (b) after excluding exceptional items (which expression shall include, without limitation, the proceeds of assets sales other than in the ordinary course of trading and release of accounting provisions);
- (c) after deducting capital recovery payments with less than five years outstanding;
- (d) adding back depreciation;
- (e) adding back amortised goodwill;
- (f) adding back interest on third party debts;
- (g) after deducting interest on cash balances;
- (h) adding back interest on any shareholder loans;
- (i) after adding back costs (if any) for share based payments under FRS102 relating to the B Shares; and
- (j) after deducting any operating and property lease charges not expensed under any alignment of FRS102 to IFRS16,

assuming that accounting policies are applied consistently year on year;

"Appointor" has the meaning given to it in Article 31.1;

"Appropriate Offer" means an offer made by a bona fide, unconnected and independent third party on an arm's length basis, which is open for acceptance for not less than 28 days, to purchase the entire issued share capital of the Company for cash and/or shares or securities which are listed on a recognised investment exchange (within the meaning given for the purpose of s.258 of the Financial Services and Markets Act 2000) and which are transferable without restriction;

"Articles" means the Company's articles of association;

"Auditors" means the auditors of the Company from time to time;

"B Share" means a B ordinary share of £1.00 in the Company;

"Bad Leaver" means a relevant Leaver who is not a Good Leaver;

"Barnett Group" means W. & R. Barnett, Limited (a company registered in Northern Ireland under company number NI000166) and any of its subsidiaries from time to time;

"Business Day" means a day other than a Saturday or Sunday on which banks are open for general business in London;

"Call Option" means an option granted to the Purchaser in Article 13.4;

"Call Option Notice" means a notice from the Purchaser to a relevant Exiting Member, exercising a Call Option;

"Call Option Period" means the period beginning on the earlier of:

- (a) with respect to all Exiting Members, the date which is 60 days after the date on which the Relevant Accounts for the Year ending 31 December 2031 are approved and signed by the directors of the Company and the Auditors; and
- (b) with respect to any Exiting Member, the cessation of the relevant Leaver's employment with any member of the Barnett Group, for any reason;

and ending on the date which is 60 days after the date on which the Relevant Accounts for the Year ending 31 December 2037 are approved and signed by the directors of the Company;

"Call Option Price" means the price payable by the Purchaser to the relevant Exiting Member on Completion of a Call Option, in respect of the Shares which are the subject of the relevant Call Option Notice, calculated and payable in accordance with these Articles;

"Commencement Date" means the date on which these Articles are adopted;

"Companies Acts" means every statute from time to time in force concerning companies (including any statutory instrument or other subordinate legislation made under any such statute), so far as it applies to the Company;

"Completion" means completion of the sale by the relevant Exiting Member of the Shares which are the subject of an Option Notice and the performance by the Purchaser and the relevant Exiting Member of their respective obligations under Articles 13.11, 13.12 and 13.13;

"Completion Date" means in relation to Completion of a sale of Shares which are the subject of an Option Notice, the date which falls 30 days after the later of:

- (a) determination of the Option Price for the relevant Shares; and

(b) the relevant Exercise Date in respect of the relevant Option Notice;

or if that day is not a Business Day, the next succeeding Business Day (or such earlier date as may be agreed by the Purchaser and the relevant Exiting Member);

"Connected Persons" has the meaning given to it in sub-section 1122(1), 1122(2) and 1122(3) of the Corporation Tax Act 2010 (but excluding for the avoidance of doubt sub-section 1122(4) and 1122(5) and 1122(6));

"Credited as Paid Up" means the amount paid up or credited as paid up on a Share including both the nominal value and any share premium;

"Declined Securities" has the meaning given to it in Article 7.4;

"Defaulting Shareholder" has the meaning given to it in Article 15.1;

"Directors" means the Company's directors from time to time;

"Disposal" means any transaction or series of related transactions whereby any person (together with its Connected Persons and any other persons with whom it is Acting in Concert) purchases all or substantially all of the business and assets of the Company and/or the Group;

"Drag Along Notice", "Drag Buyer", "Dragged Shareholders", "Dragged Shares" and "Dragging Shareholder" have the meanings given to them in Article 11.1;

"Drag Completion Date" means the date of completion of the sale and purchase of the Dragged Shares in accordance with Article 11;

"electronic form" and "electronic means" have the meanings given to them in section 1168 of the Act;

"Eligible Director" means:

- (a) in relation to a decision at a Directors' meeting, a Director who is able to be counted as participating for quorum and voting purposes in the decision at the meeting; and
- (b) in relation to a Directors' written resolution, a Director who would have been able to be counted as participating for quorum and voting purposes in the decision had the resolution or matter been proposed as a resolution at a Directors' meeting;

"encumbrance" means any mortgage, charge, pledge, lien, option or other security interest;

"Exercise Date" means the date of service of an Option Notice;

"Exiting Member" has the meaning given to it in Article 13.1;

"Expert" means the Auditors or such other person, firm or entity as may be appointed pursuant to Article 13.20;

"Extra Securities" has the meaning given to it in Article 7.3.2;

"fully paid" in relation to a Share means that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;

"Good Leaver" means a relevant Leaver who ceases to be employed by any member of the Barnett Group as a result of:

- (a) death;

- (b) permanent incapacity;
- (c) retirement at normal retirement age;
- (d) termination of the relevant Leaver's employment by the relevant member of the Barnett Group which:
 - (i) is agreed between the Purchaser and the relevant Leaver; or
 - (ii) is determined by a court of competent jurisdiction to be wrongful or unfair; or
- (e) the relevant Leaver being made redundant; or
- (f) circumstances where none of (a) to (e) above apply, but it is determined by the Purchaser in its absolute discretion that the relevant Leaver is a Good Leaver (and in a situation where the cessation of employment is due to ill health, the Purchaser shall exercise its discretion in good faith and acting reasonably in the relevant circumstances);

"Group" means the Company and its subsidiary undertakings from time to time and references to a **"Group Member"** shall be construed accordingly;

"hard copy form" has the meaning given to it in section 1168 of the Act;

"holder" in relation to any Share means the person whose name is entered in the register of members as the legal holder of that Share and **"a person holding"** shall be construed accordingly;

"Interest" has the meaning given to it in Article 1.3.6.1;

"Leaver" means a person who ceases to be an employee of any member of the Barnett Group for any reason whatsoever (including death);

"Leaver's Shareholder" in relation to a Leaver, means any Shareholder:

- (a) who holds shares as trustee or nominee for the benefit of a Leaver;
- (b) who has obtained Shares directly from a Leaver; or
- (c) who has obtained Shares indirectly from a Leaver (and for these purposes, Shares are deemed to have been obtained indirectly from a Leaver where that Leaver was, at any time, the holder of any such Shares);

"Market Value" has the meaning given to it in Article 13.15;

"Model Articles" means the model articles for public companies contained in schedule 3 of the Companies (Model Articles) Regulations 2008 (SI 2008/3229) as amended prior to the Commencement Date;

"Net Debt and Debt Like Liabilities" means the aggregate amount (expressed as a positive number) of all borrowings and indebtedness in the nature of borrowings of the Group including:

- (a) all bank debt (including bank overdrafts and bank loans);
- (b) liabilities under acceptances of trade bills (other than in respect of purchases in the ordinary course of business) and acceptance credits;

- (c) liabilities relating to any leasehold property rental uplift provision relating to back dated rent reviews not yet implemented;
- (d) liabilities under any bond, note, loan stock, debenture or other similar instrument or security;
- (e) liabilities under finance or equivalent leases, hire purchase agreements and conditional sale agreements;
- (f) liabilities (both interest and principal) under factoring or invoice discounting arrangements;
- (g) amounts raised by any other transactions having the commercial effect of borrowings;
- (h) outstanding deferred consideration;
- (i) liabilities under any currency or interest swap or other interest or currency protection, hedging or financial futures transaction or arrangement;
- (j) liabilities under any guarantee of, or indemnity against financial loss in respect of, any obligation of another person (other than another Group Company);
- (k) liabilities in relation to any letter of credit, bond or guarantee given by a third party in relation to any obligation and/or liability of any Group Company;
- (l) accrued interest, charges and costs relating to any of the above items (including those relating to early repayment, discharge or termination on or around Completion);
- (m) liabilities analogous to any of the above items;
- (n) specific provisions for dilapidations on leasehold property;
- (o) liabilities in relation to any capital grants;
- (p) non-trading trade working capital liabilities and specific provisions;
- (q) liabilities for any capital expenditure required to ensure all assets are fit for purpose and compliant with health and safety and environmental legislation;
- (r) corporation tax and deferred tax liabilities relating to any period before Completion;
- (s) shareholder loans (principle and interest);
- (t) any working capital deficiency versus average of trailing 12 months after normalising for any extension of trade creditor term in excess of normal in this 12 month period,

but excluding, for the avoidance of doubt, trade credit in the ordinary course of business and any operating and property lease liabilities added as debts under any alignment of FRS102 to IFRS16 and net of the aggregate amount of all cash (including cash in transit, cash in hand and cash balances held by the Group with any financial institution or bank, together with any interest and cash equivalents) as shown by the reconciled cashbook balances held by or on behalf of the Group companies.

For the avoidance of doubt, in determining the Market Value, no item or balance included in any calculations shall be included more than once;

"Non-Disclosable Interest" has the meaning given to it in Article 27.3;

"Option" means a Put Option or a Call Option or both of them, as the context may require;

"Option Notice" means a Call Option Notice or a Put Option Notice, as the context may require;

"Option Period" means the Call Option Period or the Put Option Period, as the case may require;

"Option Price" means the Call Option Price or the Put Option Price, as the context may require;

"ordinary resolution" has the meaning given to it in section 282 of the Act;

"Other Shareholders" has the meaning given to it in Article 12.2;

"Outstanding Notional Cash Balance" means: in the event the Outstanding Notional Mezzanine Finance is reduced to nil, further amounts paid by way of dividend to the A Shareholders should be credited to a Notional Cash Balance, maintained outside the Group's statutory accounts, together with accrued but unpaid notional interest received at a rate of 2% per annum thereon from the date of payment of said dividend(s). Any Notional Cash Balance arising will be used solely for the purposes of calculating B Share entitlement on a return of capital, exit or Option exercise. For the avoidance of doubt, the Outstanding Notional Cash Balance shall be nil until such time as the Outstanding Notional Mezzanine Finance has been reduced to nil;

"Outstanding Notional Mezzanine Finance" means the following:

- (a) a notional outstanding sum of £64.465 million deemed advanced by way of principal from the A Shareholder, used solely for the purposes of calculating B Share entitlement on a return of capital, exit or Option exercise, together with accrued but unpaid notional interest at a rate of 8% per annum thereon from the date of the allotment of the B Shares; less
- (b) any amount paid by way of dividend to the A Shareholders in accordance with Article 4.3 from the date of allotment of the B Shares,

until the date that the Outstanding Notional Mezzanine Finance is reduced to nil;

"Outstanding Shareholder Finance" means £104.247 million advanced by way of principal from the A Shareholder, together with accrued but unpaid interest at a rate of 8% per annum thereon from 31 May 2023 to the date of any Share Sale or Disposal;

"participate", in relation to a Directors' meeting, has the meaning given to it in Article 20;

"proxy notice" has the meaning given to it in Model Article 38 applied by Article 39;

"Pre-emptive Offer" has the meaning given to it in Article 7.2;

"Proposed Sale" and **"Proposed Seller"** have the meanings given to them in Article 12.2;

"Purchaser" has the meaning given to it in Article 13.1;

"Put Option" means an option granted to an Exiting Member, in respect of its Shares, in Article 13.1;

"Put Option Notice" means a notice, from a relevant Exiting Member to the Purchaser, exercising a Put Option;

"Put Option Period" means the period beginning on the earlier of:

- (a) with respect to all Exiting Members, from 31 December 2028;
- (b) with respect to any Exiting Member, the cessation of the relevant Leaver's employment with any member of the Barnett Group (for any reason),

and ending on the date which is 60 days after the date on which the Relevant Accounts for the Year ending 31 December 2034 are approved and signed by the directors of the Company;

"Put Option Price" means the price payable by the Purchaser to the relevant Exiting Member on Completion of a Put Option, in respect of the Shares which are the subject of the relevant Put Option Notice, calculated and payable in accordance with the Articles;

"Relevant Accounts" means the audited consolidated financial statements of the Group for a financial year;

"relevant Exiting Member" in relation to an Option Notice, means the Exiting Member who is the holder of the Shares which are the subject of such Option Notice;

"relevant Leaver" means, in relation to a relevant Exiting Member:

- (a) who is a Leaver, such relevant Exiting Member;
- (b) who has obtained Shares directly from a Leaver, such Leaver; or
- (c) who has obtained Shares indirectly from a Leaver, such Leaver (and for these purposes, Shares are deemed to have been obtained indirectly from a Leaver where that Leaver was, at any time, the holder of any such Shares);

"Securities" means Shares or rights to subscribe for, or to convert securities into, Shares;

"Share" means a share of any class in the Company;

"Share Sale" means any transaction or series of related transactions whereby any person (together with its Connected Persons and any other persons with whom it is Acting in Concert) obtains the ownership of more than 50 per cent in nominal value of the A Shares and B Shares in aggregate (as if one class) (excluding any Shares held as treasury shares);

"Shareholder" means a person who is the holder of a Share;

"special resolution" has the meaning given to it in section 283 of the Act;

"Suspended Rights" in relation to a Share means rights:

- (a) to receive notice of and to attend and speak at any general meeting of the Company or any separate meeting of the holders of any class of Shares or to receive a copy of any proposed written resolution of the Shareholders or of a class of the Shareholders; and
- (b) to vote (either in person or by proxy and whether on a show of hands or on a poll at any general meeting of the Company or at any separate meeting of the holders of any class of Shares or on a written resolution of the Shareholders or of a class of the Shareholders),

so that such Share shall not be counted in determining the total number of votes which may be cast at any general meeting of the Company or at any separate meeting of the holders of any

class of Shares or required for the purposes of a written resolution of the Shareholders or of a class of the Shareholders;

"Tag Buyer", "Tag Offer", "Tagged Shares" have the meanings given to them in Article 12.2;

"Transfer Terms" means that all the Shares which are the subject of an Option Notice will be sold and purchased with full title guarantee and free from all encumbrances;

"Transmittee" means a person entitled to a Share or any Interest in a Share due to the death or bankruptcy of a Shareholder or otherwise by operation of law;

"writing" and **"written"** means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise; and

"Year" means a financial year of the Company beginning on 1 January in each calendar year and ending on 31 December of that year.

1.2 Unless the context requires otherwise, other words or expressions contained in these Articles bear the same meaning as in the Act as in force on the Commencement Date.

1.3 In these Articles (unless the context requires otherwise), any reference to:

1.3.1 a numbered Article is to that numbered article of these Articles and to a numbered Model Article is to that numbered article of the Model Articles;

1.3.2 the allotment of Securities or any similar expression includes the grant of a right to subscribe for, or to convert any securities into, Shares but excludes the allotment of Shares pursuant to any such right;

1.3.3 **"including", "to include", "includes" or "in particular"** shall be deemed to include the words "without limitation";

1.3.4 the day on which a notice is given is to the day on which the notice is deemed received in accordance with Article 54;

1.3.5 any gender includes all genders, the singular includes the plural (and vice versa), and persons includes individuals, bodies corporate, unincorporated associations and partnerships (whether or not any of them have a separate legal personality); and

1.3.6 a **"transfer"** of Shares or any similar expression shall be deemed to include any direction (by way of renunciation, assignment or otherwise) by a Shareholder entitled to an allotment, issue or transfer of Shares that a Share be allotted, issued or transferred to some person other than himself and any reference to a **"transfer"** of Shares or any similar expression shall also be deemed to include:

1.3.6.1 any sale, assignment or other disposition of the legal or equitable interest or any other right or interest in a Share (including any voting right attached to a Share) (**"Interest"**);

1.3.6.2 the sale or transfer by the Company of Shares held as treasury shares;

1.3.6.3 the creation or granting of any mortgage, charge, pledge or other encumbrance or security interest or trust over any Interest; and

1.3.6.4 any grant of an option to acquire any Interest,

whether effected by a Shareholder or otherwise; whether for consideration or otherwise and whether effected by an instrument in writing or otherwise; and

- 1.3.7 a statute or a statutory provision includes that statute or statutory provision as amended, extended or re-enacted (with or without modification) and any subordinate legislation made under it (in each case whether before, on or after the Commencement Date) provided that as between the Company and the Shareholders, no such amendment, extension or re-enactment made after the Commencement Date should apply for the purposes of these Articles to the extent that it would impose any new or extended obligation or liability or restriction on, or otherwise adversely affect the rights of, either the Company or any Shareholder.

- 1.4 The contents list and headings in these Articles are included for ease of reference only and shall not affect the construction or interpretation of these Articles.

2. MODEL ARTICLES

- 2.1 These Articles and the Model Articles specifically applied to the Company by these Articles shall together constitute the articles of association of the Company.

- 2.2 When a Model Article specifically applies to the Company:

2.2.1 the terms defined in Article 1 (Definitions and interpretation) shall apply to such Model Article (notwithstanding that such terms may be in lower case in the Model Article); and

2.2.2 the terms defined in Model Article 1 shall apply to such Model Article, unless those terms are otherwise defined in Article 1 (Definitions and interpretation).

- 2.3 Except to the extent that the Model Articles are specifically applied to the Company by these Articles, no regulations or articles set out in any statute, or in any statutory instrument or other subordinate legislation made under any statute, concerning companies shall apply as the regulations or articles of association of the Company.

3. LIABILITY OF MEMBERS

Model Article 2 (Liability of members) shall apply.

4. SHARES

- 4.1 Except as provided otherwise in these Articles, the A Shares and the B Shares shall rank *pari passu* but they shall constitute separate classes of Shares.

- 4.2 Subject to these Articles, but without prejudice to the rights attached to any existing Share, the Company may issue Shares with such rights or restrictions as may be determined by ordinary resolution.

- 4.3 Any profits available for distribution which the Company determines to distribute or which (in the case of interim dividends) the directors decide to pay shall be distributed amongst or be paid to the holders of the A Shares *pro rata* to the amounts Credited as Paid Up on the A Shares held by them. For the avoidance of doubt, there shall be no distribution pursuant to this Article 4.3 in respect of the B Shares.

5. RETURN OF CAPITAL

- 5.1 On a return of capital of the Company on a winding up or otherwise (other than a redemption of Shares or the purchase by the Company of its own Shares) (a "Relevant Event"), the surplus

assets and retained profits of the Company available for distribution (the "**Distributable Assets**") among the Shareholders shall be distributed in the following order of priority:

- 5.1.1 first, in paying to the holders of B Shares, an amount in pounds sterling (£) calculated as follows:

Total amount to be distributed = price per B Share x number of B Shares in issue,

where price per B Share = (Distributable Assets – Q – T + R)/S

PROVIDED THAT if the price per B Share is a negative value, it shall be deemed to be NIL, in which case, no distribution shall be payable to the B Shareholders under this Article 5.1.1.; and

- 5.1.2 second, the balance of such Distributable Assets (if any) shall be distributed amongst the holders of the A Shares in proportion to the amounts Credited as Paid Up on such Shares held by each of them (and for the avoidance of doubt, there shall be no distribution pursuant to this Article 5.1.2 in respect of the B Shares).

- 5.2 For the purposes of Article 5.1:

Q= the Outstanding Shareholder Finance at the Accounts Date;

R= the Outstanding Notional Cash Balance at the Accounts Date;

S= the aggregate number of A and B Ordinary Shares in the Company in issue at the date of the Relevant Event; and

T= the Outstanding Notional Mezzanine Finance at the Accounts Date.

6. EXIT

- 6.1 In the event of a Share Sale, the selling Shareholders shall procure that the amount (if any) of consideration which they shall be entitled to receive for the Shares they are transferring shall be that to which they would be entitled if the aggregate value of the total consideration to be paid for such Shares as a whole was allocated to the selling Shareholders in the order of priority set out in Article 5 (Return of capital) and "Distributable Assets" shall be construed accordingly.

- 6.2 For the avoidance of doubt, "**total consideration**" for the purposes of Article 6.1 shall be construed as meaning the value or worth of the total consideration regardless of the form of the total consideration and shall exclude any offer to subscribe for or acquire any share, debt instrument or other security in the capital of any person which is purchasing or acquiring the selling Shareholders' Shares (or a member of the same group as any such person) made to a selling Shareholder which is in addition to the consideration proposed to be paid for all the selling Shareholders' Shares.

- 6.3 In the event of a Disposal, the Shareholders shall procure that the proceeds of sale arising from the Disposal shall (to the extent that the Company is lawfully able to do so) be distributed to the Shareholders in the order of priority set out in Article 5 (Return of capital) and "Distributable Assets" shall be construed accordingly.

- 6.4 If any of the consideration to be paid on a Share Sale or a Disposal is to be deferred or is otherwise not payable until after completion of such Share Sale or Disposal, the selling Shareholders (in the case of a Share Sale) or the Shareholders (in the case of a Disposal) shall procure that:

- 6.4.1 any initial consideration to be paid at the time of completion shall:

- 6.4.1.1 in the case of a Share Sale, be allocated to the selling Shareholders in the order of priority set out in Article 5 (Return of capital); and
- 6.4.1.2 in the case of a Disposal, (to the extent that the Company is lawfully able to do so) be distributed to the Shareholders in the order of priority set out in Article 5 (Return of capital); and
- 6.4.2 if, and to the extent that, any such deferred or other consideration is subsequently to be paid, it shall:
 - 6.4.2.1 in the case of a Share Sale, be allocated to the selling Shareholders in the order of priority set out in Article 5 (Return of capital) after taking into account any prior allocations of consideration to the selling Shareholders that have already taken place; and
 - 6.4.2.2 in the case of a Disposal, (to the extent that the Company is lawfully able to do so) be distributed to the Shareholders in the order of priority set out in Article 5 (Return of capital) after taking into account any prior distributions of the proceeds of sale to the Shareholders that have already taken place.

7. ISSUE OF SHARES

- 7.1 In accordance with section 567(1) of the Act, sections 561 and 562 of the Act shall not apply to an allotment of equity securities (within the meaning of section 560 of the Act) by the Company.
- 7.2 Any Securities proposed to be allotted shall be offered by the Company at the same price and on the same terms to the Shareholders, pro rata to their holdings of A Shares and B Shares (as if one class) as nearly as possible without involving fractions ("**Pre-emptive Offer**").
- 7.3 The Pre-emptive Offer shall:
 - 7.3.1 be made by notice specifying the Securities offered, the price for them, a time (being not less than 10 Business Days) within which the offer, if not accepted, shall be deemed to be declined and any other terms; and
 - 7.3.2 invite each relevant Shareholder to state in his acceptance the number of any Securities in excess of those offered to him ("**Extra Securities**") that he wishes to apply for.
- 7.4 Any Securities not accepted (or deemed to be declined) under the Pre-emptive Offer ("**Declined Securities**") shall be used to satisfy applications for Extra Securities. If there are insufficient Declined Securities to satisfy all such applications for Extra Securities, then such Declined Securities shall be allotted to the applicants of the Extra Securities (as nearly as possible without involving fractions) as follows:
 - 7.4.1 pro rata to their holdings of A Shares and B Shares (as if one class) immediately prior to the Pre-emptive Offer (as nearly as possible without increasing the number of Declined Securities allotted to any Shareholder beyond the number of Extra Securities applied for by him); and
 - 7.4.2 then, any remaining Declined Securities to such applicants who have not yet been allotted the maximum number of Extra Securities applied for by them pro rata to their holdings of A Shares and B Shares (as if one class) immediately prior to the Pre-emptive Offer (as nearly as possible without increasing the number of Declined Securities allotted to any Shareholder beyond the number of Extra Securities applied for by him). Any remaining Declined Securities shall continue to be allotted on the basis of this Article 7.4.2 until all Declined Securities have been allotted.

- 7.5 The Directors may round up or down fractional entitlements under any Pre-emptive Offer, provided that the number of Securities allotted does not exceed the total number of Securities offered and such rounding does not result in a Shareholder being allotted more Securities than he has indicated he is willing to accept.
- 7.6 Any Securities not taken up at the end of the procedures set out in Articles 7.2, 7.3 and 7.4 for a Pre-emptive Offer may, within the period of one month from the end of the period for acceptance of the relevant Pre-emptive Offer, be offered by the Company to any other person(s) at no lesser price and on no more favourable terms than those on which they were offered under the relevant Pre-emptive Offer.

8. TRANSFER AND TRANSMISSION OF SHARES – GENERAL

- 8.1 Shares may only be transferred:
- 8.1.1 in accordance with Article 9 (Permitted transfers – Intra-Group) or 10 (Permitted Transfers – With Consent);
 - 8.1.2 pursuant to, and in accordance with, Article 11 (Drag Along) (including the transfer of the Dragged Shareholders' Shares pursuant to a Drag Along Notice and the transfer of all of the Dragging Shareholder's Shares to a Drag Buyer);
 - 8.1.3 pursuant to, and in accordance with, Article 12 (Tag Along) (including the transfer of the Accepting Shareholders' Tagged Shares pursuant to a Tag Offer and the transfer of the Proposed Seller's Shares pursuant to a Proposed Sale); or
 - 8.1.4 pursuant to Article 13 (Options).
- 8.2 Notwithstanding any other provisions of these Articles, the Directors shall not register a transfer of Shares:
- 8.2.1 to any person who is bankrupt, is less than 18 years of age and/or does not have (or whom the Directors reasonably believe does not have) legal capacity to hold and/or transfer such Shares or to comply with these Articles;
 - 8.2.2 if the Shares are not fully paid;
 - 8.2.3 if the instrument of transfer is not either duly stamped or duly certified (or otherwise shown to the satisfaction of the Directors to be exempt from stamp duty); or
 - 8.2.4 if the transferee (not then being a Shareholder) has not, in a legally binding manner, entered into and delivered to the Company a deed of adherence to any shareholders' agreement between the Shareholders.
- 8.3 Model Article 63 (Transfer of certificated shares) (other than 63(5)(a)) shall apply, except Model Article 63(1)(b) shall be modified by replacing the words "is partly paid" with the words "are not fully paid".
- 8.4 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share until it is transferred in accordance with these Articles. Pending such a transfer, the Transmitttee has the same rights as the holder had in respect of such Share except for Suspended Rights. Any transfer of a Share by a Transmitttee shall be treated as if it were made or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred.

9. PERMITTED TRANSFERS – INTRA-GROUP

- 9.1 Any holder of Shares that is body corporate may at any time transfer any Shares held by it to any of its subsidiaries or holding companies, or any subsidiary of such a holding company (any such transferee being a member of the same group).
- 9.2 Where Shares have been transferred pursuant to Article 9.1 (whether directly or by a series of such transfers) from a holder of Shares ("**Transferor**") to a member of the same group as the Transferor ("**Transferee**"), and subsequent to such transfer the Transferee shall cease to be a member of the same group as the Transferor, the Transferee shall transfer the Shares to the Transferor or another member of the same group as the Transferor (for such consideration as they may agree) within 28 days of the date upon which the Transferee ceased to be a member of the same group.

10. PERMITTED TRANSFERS – WITH CONSENT

Any Share may be transferred to any person with the prior written consent of the holder of a majority of the A Shares.

11. DRAG ALONG

- 11.1 If the A Shareholder, ("**Dragging Shareholder**") wishes to transfer (whether through a single transaction or a series of related transactions) all of the A Shares to an unconnected bona fide arm's length third party purchaser ("**Drag Buyer**"), the A Shareholder shall have the right by notice ("**Drag Along Notice**") to each of the other Shareholders, ("**Dragged Shareholders**") to require all such Dragged Shareholders to sell and transfer the legal and beneficial title to all of the Shares registered in their name ("**Dragged Shares**") (free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee to the Drag Buyer in accordance with the provisions of this Article 11.
- 11.2 A Drag Along Notice may be given to the Dragged Shareholders at any time before the completion of the transfer of the Dragging Shareholder's Shares to the Drag Buyer. It shall specify:
- 11.2.1 that the Dragged Shareholders are required to transfer all their Shares pursuant to this Article 11;
 - 11.2.2 the identity of the Drag Buyer;
 - 11.2.3 the amount (if any) and form of consideration for which the Dragged Shares are to be transferred (determined in accordance with Articles 11.4 to 11.5);
 - 11.2.4 the proposed, place, date (which must not be less than 14 days after the date of the Drag Along Notice) and time of transfer; and
 - 11.2.5 the other terms and conditions of sale to which the Dragged Shareholders are required to adhere (determined in accordance with Article 11.7),
- and shall be accompanied by all documents required to be executed by the Dragged Shareholders to give effect to the relevant transfer.
- 11.3 A Drag Along Notice may be revoked by the A Shareholders at any time prior to the completion of the sale and purchase of the Dragged Shares by notice to the Dragged Shareholders.
- 11.4 The amount (if any) of consideration for which the Dragged Shareholders shall be obliged to sell each of their Dragged Shares shall be that to which they would be entitled if the aggregate value of the total consideration to be paid by the Drag Buyer for all of the Dragging Shareholder's Shares and the Dragged Shares as a whole was allocated to the Dragging Shareholder and the Dragged Shareholders pursuant to Article 6, as though the sale was a Share Sale. A Dragged Shareholder shall not be obliged to sell its Dragged Shares pursuant to

this Article 11 unless the price in respect of the Dragged Shares is no less than the price the Dragged Shareholder would have received if it had served a Put Option Notice in respect of such Dragged Shares on the Purchaser pursuant to Article 13.1 and in respect of which the Exercise Date was the same date as the Drag Along Notice.

- 11.5 For the avoidance of doubt, "*total consideration*" for the purposes of Article 11.4 shall be construed as meaning the value or worth of the total consideration regardless of the form of the total consideration.
- 11.6 The amount of consideration (if any) to be paid by the Drag Buyer for the Dragged Shares and the Dragging Shareholder's Shares (as determined in accordance with Article 11.4) shall be paid in cash or in such other form of non-cash consideration with an equivalent cash value as shall be elected by the Drag Buyer, provided that :
 - 11.6.1 the form of any non-cash consideration to be paid for the Dragged Shares shall be the same for each Dragged Shareholder; and
 - 11.6.2 the form of any non-cash consideration to be paid for the Dragged Shares shall be the same as the form of any non-cash consideration to be paid for the A Shareholder's Shares.
- 11.7 Subject to Articles 11.4 to 11.6, the Dragged Shares shall be acquired on the same, or no more onerous, terms and conditions (including the same, or no more onerous, representations, warranties, covenants, undertakings, indemnities and requirements relating to contributing to any retention (if any)) for which the A Shareholder is selling its Shares, disregarding any terms and conditions which are not directly related to the sale of the Dragging Shareholder's Shares.
- 11.8 Completion of the sale and purchase of the Dragged Shares shall take place on the same date and at the same time and place as the sale of the Dragging Shareholder's Shares to the Drag Buyer (or as the Drag Buyer may direct), unless all of the Dragged Shareholders and the Dragging Shareholder otherwise agree, in which case completion of the sale and purchase of the Dragged Shares shall take place on a date that is no more than 20 Business Days later.
- 11.9 On or before the Drag Completion Date each Dragged Shareholder shall deliver to the Company:
 - 11.9.1 duly executed transfers of the Dragged Shares registered in its name in favour of the Drag Buyer;
 - 11.9.2 the relevant share certificate(s) in respect of those Dragged Shares (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates); and
 - 11.9.3 a duly executed sale agreement (in a form agreed by the Dragging Shareholder).
- 11.10 Subject to compliance with Article 11.9 and to the extent only that the Drag Buyer has put the Company in the requisite cleared funds or other form of consideration, the Company shall on the Drag Completion Date pay, on behalf of the Drag Buyer, to each of the Dragged Shareholders in respect of its Dragged Shares the consideration it is due in accordance with Articles 11.4 to 11.6, less any amount that is to be deducted from such consideration pursuant to Article 11.12. Payment to the Dragged Shareholder shall be made to the relevant Dragged Shareholder's last known address on the Company's register of members or by electronic payment to such account nominated by the respective Dragged Shareholder. The Company's receipt of the requisite cleared funds or other form of consideration from the Drag Buyer shall be a good discharge to the relevant Drag Buyer. Pending compliance by each Dragged Shareholder with its obligations in Article 11.9, the Company shall hold the funds or other form of consideration received from the Drag Buyer in respect of the Dragged Shares (less any amount that is to be deducted from such funds pursuant to Article 11.12) on trust for the

Dragged Shareholders and will account to the Dragged Shareholder for all interest it has received on such funds.

- 11.11 Upon any person (other than the Drag Buyer or its nominee), following the date of service of a Drag Along Notice, becoming a Shareholder (or increasing an existing shareholding in the Company) including pursuant to the exercise of any option, warrant or other right to acquire or subscribe for, or to convert any security into, Shares ("**New Shareholder**"):

11.11.1 a Drag Along Notice on the same terms as the previous Drag Along Notice shall be deemed to have been served upon the New Shareholder, who shall then be bound to sell and transfer the legal and beneficial title to all such Shares acquired by him (free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee) to the Drag Buyer; and

11.11.2 the provisions of this Article 11 shall apply (with necessary modifications) to the New Shareholder as if it were a Dragged Shareholder, except that, where completion of the sale and purchase of the Dragged Shares to the Dragged Buyer has already taken place, the completion date of the sale and purchase of the Shares shall take place on such date as the Drag Buyer shall determine.

- 11.12 The reasonable transaction fees, costs and expenses incurred by the Dragging Shareholder and the Dragged Shareholders that are attributable to the transfer of Shares made in accordance with this Article 11 shall be borne by each of the Dragging Shareholder and the Dragged Shareholders pro rata to their holdings of Shares being transferred. To the extent only that the Drag Buyer has put the Company in the requisite cleared funds or other form of consideration, an amount equal to the Dragged Shareholders' proportionate share of such fees, costs and expenses shall be deducted by the Company from the amount of consideration which the Dragged Shareholders are entitled to receive for their Dragged Shares (as determined in accordance with Article 11.4) and shall be used to pay their proportionate share of such fees, costs and expenses.

12. TAG ALONG

- 12.1 This Article 12 shall not apply to a Proposed Sale in respect of which a Drag Along Notice has been served or which is in accordance with Articles 9 (Permitted transfers – Intra-Group) or 10 (Permitted Transfers – With Consent).

- 12.2 If the A Shareholder ("**Proposed Seller**") proposes to transfer to any person (whether through a single transaction or a series of related transactions) such number of Shares which would, if registered, result in such person ("**Tag Buyer**") obtaining the ownership of more than 50 per cent in nominal value of the Shares at a price per Share which is equal to or greater than the amount Credited as Paid Up (plus any amount of share premium which is paid up or credited as paid up) in respect of each Share ("**Proposed Sale**"), the Proposed Seller shall not be entitled to transfer such Shares and no such Shares shall be capable of being purchased or transferred unless the Tag Buyer (or the Company in its capacity as agent for the Tag Buyer) shall have offered ("**Tag Offer**") in accordance with this Article 12 to purchase from each of the other Shareholders, (not being a Tag Buyer) ("**Other Shareholders**") such proportion of the Shares registered in their name ("**Tagged Shares**") as is equal to the proportion which the Shares that the Proposed Seller is proposing to transfer to the Tag Buyer bears to the Proposed Seller's total holding of Shares.

- 12.3 A Tag Offer shall be made by notice specifying:

12.3.1 the identity of the Tag Buyer;

12.3.2 the number of Shares that the Proposed Seller is proposing to transfer to the Tag Buyer and the proportion that this bears to the Proposed Seller's total holding of

Shares ("**Relevant Proportion**") and the number of Shares that the Tag Buyer is therefore offering to purchase from the Other Shareholders;

- 12.3.3 to the extent that any Other Shareholder holds more than one class of Shares, then its Tagged Shares shall comprise the Relevant Proportion of each class of Shares held by it;
- 12.3.4 the amount and form of consideration and the proportion of cash and/or securities that the Tag Buyer is proposing to pay for each of those Shares (determined in accordance with Article 12.4);
- 12.3.5 the proposed, place, date (which must not be less than 10 Business Days after the date of the Tag Offer) and time of transfer;
- 12.3.6 a time (being not less than 5 Business Days) within which the offer, if not accepted, shall be deemed to be declined; and
- 12.3.7 to the extent not set out in the accompanying documents, any other terms and conditions of sale on which the Tag Buyer is proposing to purchase the Proposed Seller's and the Accepting Shareholders' Shares,

and shall be accompanied by all documents required to be executed by the Other Shareholders if they accept the Tag Offer.

- 12.4 The amount (if any) of consideration for which the Other Shareholders shall be obliged to sell each of their Tagged Shares shall be that to which they would be entitled if the aggregate value of the total consideration to be paid by the Tag Buyer for all of the Proposed Seller's Shares and the Tagged Shares as a whole was allocated to the Proposed Seller and the Tagged Shareholders pursuant to Article 6, as though the sale was a Share Sale. The Proposed Seller shall not be entitled to transfer such Shares pursuant to this Article 12 unless the price in respect of the Tagged Shares is no less than the price the Other Shareholder would have received if it had served a Put Option Notice in respect of such Tagged Shares on the Purchaser pursuant to Article 13.1 and in respect of which the Exercise Date was the same date as the Tag Offer, provided that the form of any non-cash consideration to be paid for the Tagged Shares shall be: (i) the same for each Other Shareholder; and (ii) the same as the form of any non-cash consideration to be paid for the Proposed Seller's Shares.
- 12.5 Each Other Shareholder who accepts the Tag Offer within the offer period ("**Accepting Shareholder**") shall be required to:
 - 12.5.1 transfer the legal and beneficial title to all of his Tagged Shares to the Tag Buyer free from all liens, charges and encumbrances and together with all rights attaching to them and with full title guarantee;
 - 12.5.2 subject to Article 12.4, sell his Tagged Shares on the same terms and conditions (including the same representations, warranties, covenants, undertakings, indemnities and requirements relating to contributing to any retention) as are to be given to and by the Proposed Seller pursuant to the Proposed Sale;
 - 12.5.3 deliver to the Tag Buyer the share certificates for his Tagged Shares (or an indemnity in a form reasonably satisfactory to the Directors for lost certificates) and a duly executed sale agreement (in a form agreed by the Proposed Seller) setting out the relevant terms and conditions of sale; and
 - 12.5.4 pay his proportionate share of such fees, costs and expenses that are to be borne by the Accepting Shareholders pursuant to Article 12.7.

- 12.6 Completion of the sale and purchase of any Tagged Shares in respect of which the Tag Offer has been accepted shall be conditional upon, and shall take place on the same date and at the same time and place as, the completion of the Proposed Sale (unless any of the Accepting Shareholders and the Tag Buyer agree otherwise), save that if any Accepting Shareholder fails to comply with his obligations under Article 12.5 on or before the completion of the Proposed Sale:
- 12.6.1 the completion of the Proposed Sale may be made without the completion of the sale and purchase of that Accepting Shareholder's Tagged Shares (provided that it shall be on no more favourable terms and conditions to the Proposed Seller than those stated in the original Tag Offer); and
- 12.6.2 the Tag Buyer shall not be under any further obligation to purchase those Tagged Shares.
- 12.7 The reasonable transaction fees, costs and expenses incurred by the Proposed Seller and the Accepting Shareholders that are attributable to the transfer of Shares made in accordance with this Article 12 shall be borne by each of the Proposed Seller and the Accepting Shareholders pro rata to their holdings of Shares being transferred.

13. OPTIONS

- 13.1 A person holding B Shares (an "**Exiting Member**") may at any time during the Put Option Period serve a Put Option Notice on the holder of the A Shares ("**Purchaser**") requiring the Purchaser to purchase (subject to Article 13.2) on the Transfer Terms and at the Put Option Price such of the Shares held by the Exiting Member as are specified in the Put Option Notice.
- 13.2 Subject to Article 13.3, 13.7 and 13.8 within 12 months of a Put Option first becoming exercisable, a Put Option Notice may be served by the relevant Exiting Member in respect only of a maximum amount of 50% of the number of Shares held by the relevant Exiting Member as at immediately prior to the Put Option Notice ("**relevant Put Limit**"), and to the extent that such Put Option Notice does specify more Shares than the relevant Put Limit then such notice shall automatically be deemed to relate only to the number of Shares comprised in the relevant Put Limit (and where such Shares comprise more than one class, the Purchaser shall determine, in its sole discretion, which Shares from each class shall count towards comprising the relevant Put Limit). No Exiting Member is entitled to serve more than one Put Option Notice in any Year.
- 13.3 A Put Option Notice is irrevocable unless revoked with the written consent of the Purchaser, and no Put Option Notice may be served by an Exiting Member who:
- 13.3.1 is an Accepting Shareholder pursuant to Article 12.5 and completion of the sale of the Tagged Shares in accordance with Article 12 has not taken place;
- 13.3.2 has obtained the consent of the holder of the majority of the A Shares to transfer Shares pursuant to Article 10 and such transfer has not yet completed.
- 13.4 The Purchaser may at any time and on more than one occasion during the Call Option Period serve a Call Option Notice on any or all of the Exiting Members requiring each such Exiting Member to sell to the Purchaser on the Transfer Terms and at the Call Option Price such of the Shares held by that Exiting Member as are specified in the Call Option Notice.
- 13.5 Upon service of an Option Notice, the relevant Exiting Member will become bound to sell the Shares which are the subject of the Option Notice to the Purchaser (or its nominees) on the Transfer Terms.
- 13.6 If, following service of an Option Notice the relevant Exiting Member fails to comply with its obligation to sell the Shares which are the subject of the Option Notice ("**Default Shares**") the Purchaser may (subject to payment of the Option Price due in respect of such Default Shares)

by notice to such Exiting Member ("**Default Notice**") execute such documents and do such things in the name of that Exiting Member as may be necessary to vest legal and beneficial interest in the Default Shares in the Purchaser, including execution of any stock transfer forms. Such Exiting Member irrevocably and unconditionally appoints the Purchaser (or any officer duly authorised by it) as its attorney for the purpose of exercising its rights pursuant to this Article 13.6 and undertakes to ratify and confirm anything lawfully done or any document executed by such attorney.

- 13.7 Neither the Purchaser nor an Exiting Member may serve an Option Notice in circumstances where the Purchaser has served a Drag Along Notice and such notice is subsisting.
- 13.8 Neither the Purchaser nor an Exiting Member may serve an Option Notice in circumstances where a prior Option Notice has been served on or by that Exiting Member (whether in respect of the same Shares or otherwise) and Completion has not yet occurred in respect of such prior Option Notice (unless the prior Option Notice has been revoked in accordance with the provisions of Article 13.3).
- 13.9 If, as at the Exercise Date in respect of an Option Notice, the relevant Exiting Member is a Leaver or a Leaver's Shareholder, the provisions of Article 14 shall apply.
- 13.10 If an Option Notice is served at a time when the relevant Exiting Member is neither a Leaver nor a Leaver's Shareholder, the Option Price shall be the Market Value in respect of the B Shares held by that Exiting Member (as applicable) which are the subject of the Option Notice.
- 13.11 Completion shall take place on the Completion Date at which time the relevant Exiting Member shall deliver to the Purchaser (or its nominees):
- 13.11.1 share certificates in respect of the Shares which are the subject of the Option Notice together with duly executed transfer of those Shares in favour of the Purchaser (or its nominees); and
 - 13.11.2 such consents or documents (if any) as the Purchaser may reasonably require to enable the Purchaser (or its nominees) to be registered as holders of the relevant Shares,
- and the relevant Exiting Member shall do such other, acts or things and execute such other documents as shall be necessary or as the Purchaser may reasonably request to give effect to the sale of the Shares which are the subject of the Option Notice on the Transfer terms.
- 13.12 Subject to the relevant Exiting Member's compliance with its obligations under Article 13.11, on Completion the Purchaser shall pay (in accordance with Article 13.13) the Option Price for the Shares which are the subject of the relevant Option Notice to the relevant Exiting Member and the Purchaser shall not be concerned to see the application of it.
- 13.13 The Purchaser shall pay the Option Price on the day of completion of the relevant transfer of Shares by way of cheque sent to the relevant Exiting Member or by way of bank transfer to an account within the United Kingdom nominated by the relevant Exiting Member, unless otherwise agreed.
- 13.14 All rights attached to the Shares which are the subject of an Option Notice shall accrue to the Purchaser from the Completion Date in respect of those shares and the relevant Exiting Member shall account to the Purchaser for all dividends or other distributions of the Company in respect of those Option Shares declared or paid by reference to a record date subsequent to the Completion Date and shall exercise all voting and other rights at the direction of the Purchaser.
- 13.15 Upon exercise of an Option Notice in accordance with these Articles, the Market Value shall be an amount in pounds sterling (£) calculated as follows:

Market Value = C x D,

where $C = \frac{((W \times 7) - Y) - U - Z + V}{X}$

and D = the number of shares which are the subject of the relevant Option Notice.

13.16 For the purposes of Article 13.15:

U= the Outstanding Shareholder Finance at the Accounts Date;

V = the Outstanding Notional Cash Balance at the Accounts Date;

W= the average Adjusted EBITDA for the three Years preceding the Year in which the Option Notice is exercised;

X= the aggregate number of A and B Ordinary Shares in the Company in issue at the date of the Option Notice;

Y= the Net Debt and Debt Like Liabilities at the Accounts Date; and

Z= the Outstanding Notional Mezzanine Finance at the Accounts Date.

13.17 If the Option Price for any Shares which are the subject of an Option Notice is the Market Value, then within 30 Business Days of the later of:

13.17.1 the Exercise Date in respect of the relevant Option Notice; and

13.17.2 the date on which the Relevant Accounts for the Year preceding the Year of the Exercise Date are approved and signed by the Directors of the Company and the Auditors,

the Purchaser shall issue a statement to the relevant Exiting Member setting out the Market Value ("**Market Value Statement**").

13.18 If the Purchaser and the relevant Exiting Member do not agree in writing the Market Value within 10 Business Days of the date of the Market Value Statement, then calculation of Market Value shall be referred to the Expert for determination pursuant to Article 13.20.

13.19 If the relevant Exiting Member fails to notify the Purchaser as to whether it agrees or disagrees with the Market Value Statement within 10 Business Days of the date of the Market Value Statement, then the relevant Exiting Member shall be deemed to have agreed Market Value as set out in the Market Value Statement.

13.20 Either the Purchaser or the relevant Exiting Member may refer the calculation of Market Value to the Expert for final determination where the Purchaser and the relevant Exiting member have not agreed in writing the Market Value within the time period specified in Article 13.18. If the Expert refuses to act in respect of any such referral, the matter will be referred by joint instruction of the Purchaser and the relevant Exiting Member within 10 Business Days of the refusal to act to an Expert, appointed by the incumbent president of the Institute of Chartered Accountants in England and Wales. The Expert will act as expert and not as arbitrator. The written certificate of the Expert will be conclusive and binding on the Purchaser and the relevant Exiting Member (except in the case of fraud or manifest error). The Expert's costs and charges shall be borne by the relevant Exiting Member unless the Purchaser's calculation of the Market Value is more than 10% below the Expert's valuation, in which case the Expert's costs and charges shall be borne by the Purchaser.

13.21 Provided that this Article 13.21 shall not apply in circumstances where the provisions of Article 14 apply, the A Shareholder undertakes not to serve a Call Option Notice on an Exiting Member

(without having obtained the consent of such Exiting Member) during any period commencing on the date of receipt by it of an Appropriate Offer and ending on the earlier of:

- 13.21.1 the date on which the Appropriate Offer lapses; and
- 13.21.2 the date falling six calendar months from and including the date of the Appropriate Offer,

unless it agrees to pay to the relevant Exiting Member an amount equal to £TOP where:

TOP = AP - OP (and where this results in a negative number, TOP shall be zero);

and where,

AP = the price paid by the third party pursuant to completion of the Appropriate Offer in accordance with its terms for the B Shares which are the subject of the Call Option Notice; and

OP = the Option Price in respect of the B Shares which are the subject of the Call Option Notice.

14. OPTION EXERCISE – LEAVERS

- 14.1 If, as at the Exercise Date in respect of an Option Notice, the relevant Exiting Member is a Leaver or a Leaver's Shareholder, the Option Price shall be determined as follows:

- 14.1.1 if the relevant Leaver is a Good Leaver, the Option Price shall be the Market Value in respect of the B Shares held by that Exiting Member which are the subject of the Option Notice; and

- 14.1.2 if the relevant Leaver is a Bad Leaver, the Option Price shall be an amount equal to the lower of (i) the Market Value and (ii) the aggregate amount Credited as Paid Up on the Shares which are the subject of the Option Notice.

- 14.2 If the Purchaser has issued a Call Option Notice in the circumstances set out in Article 13.9 and 14.1.2 and the relevant Leaver asserts that, having been treated as a Bad Leaver, he ought to have been treated as a Good Leaver, the Purchaser and the relevant Exiting Member shall nevertheless be required to complete the sale and purchase of the Shares which are the subject of the Option Notice as if the relevant Leaver is a Bad Leaver. If it is subsequently: (i) agreed by the Purchaser and the relevant Leaver; or (ii) determined by a court or tribunal of competent jurisdiction and in relation to which all rights of appeal have been exhausted or are debarred by the passage of time, that the relevant Leaver ought to have been treated as a Good Leaver, the Purchaser shall pay to the relevant Exiting Member within 20 Business Days of the agreement between the Purchaser and the Leaver or the determination of the court or tribunal (as the case may be):

- 14.2.1 a sum equal to the amount by which the Option Price which was paid to the relevant Exiting Member is less than the Option Price which would have been payable to the relevant Exiting Member for those same Shares had the relevant Leaver been treated as a Good Leaver; and

- 14.2.2 interest on the sum referred to in Article 14.2.1 at a rate of 2% per annum above the sterling base rate of the Purchaser's bank for the time being from the date of payment of the Option Price which was paid to the relevant Exiting Member to the date of payment of the sum referred to in Article 14.2.1.

- 14.3 The provisions of Articles 13.11 to 13.20 (but, for the avoidance of doubt, not Article 13.21) apply to the completion of an option to which Articles 14.1 and 14.2 apply.

15. TRANSFER PROVISIONS – DEFAULT BY SHAREHOLDER

- 15.1 This Article 15 applies when a Shareholder is in default of its obligations under Article 11.9 ("Defaulting Shareholder").
- 15.2 The Company may act as agent of the Defaulting Shareholder with full power and authority in the Defaulting Shareholder's name and on its behalf to:
- 15.2.1 approve, sign and execute any agreements, documents and/or instruments and undertake any action, which the Company in its absolute discretion considers necessary or desirable in order for such Defaulting Shareholder to give effect to the transfer of the relevant Dragged Shares to the Drag Buyer and to otherwise comply with and perform its obligations under Article 11.9; and
 - 15.2.2 (as appropriate) deliver any such agreements, documents and/or instruments to the Drag Buyer against receipt by the Company of the consideration payable for the relevant Shares (to be held on trust for the Defaulting Shareholder) (such receipt being a good discharge to the Drag Buyer who shall not be bound to see to the application of such payment).
- 15.3 The Directors shall, notwithstanding any failure of the Defaulting Shareholder to deliver up its certificate (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates) for the relevant Dragged Shares, subject to due stamping authorise the registration of the transfer(s) and of the relevant Drag Buyer as the holder of the relevant Dragged Shares so transferred.
- 15.4 The registration of the Drag Buyer (or, where relevant, the Company) as the registered holder(s) of such Dragged Shares shall not be affected by any irregularity in, or invalidity of, such proceedings, and shall not be questioned by any person. The Defaulting Shareholder shall be entitled to receive the consideration for such Dragged Shares, less any amount that is to be deducted from such consideration pursuant to Article 11.12, when he delivers up his certificate (or an indemnity in a form reasonably satisfactory to the Directors for any lost certificates) for the relevant Dragged Shares to the Company.
- 15.5 The authority given pursuant to this Article 15 shall be irrevocable and is given by way of security for the performance of the obligations of the Defaulting Shareholder under Article 11.9.

16. TRANSFER PROVISIONS – EVIDENCE OF COMPLIANCE

- 16.1 For the purpose of ensuring that a transfer of Shares is permitted under these Articles the Directors may require any Shareholder to provide, and/or procure that any other person provides, the Company with such information and evidence as the Directors require regarding any matter which they consider relevant for such purpose. Pending the provision of such information the Directors shall be entitled to refuse to register any relevant transfer.
- 16.2 Failing such information or evidence referred to in Article 16.1 being provided to the reasonable satisfaction of the Directors within 10 Business Days of being requested, the Directors may notify the relevant Shareholder in writing of that fact. If the Shareholder fails to provide, or procure the provision of, such information or evidence to the reasonable satisfaction of the Directors within 10 Business Days of receipt of such written notice, then any Shares held shall automatically cease to confer any Suspended Rights until the failure to provide, or procure the provision of, such information or evidence is remedied to the reasonable satisfaction of the Directors.

17. DIRECTORS' POWERS AND RESPONSIBILITIES – MODEL ARTICLES

The following Model Articles apply:

3	Directors' general authority
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4	Members' reserve power
5	Directors may delegate
6	Committees

18. DIRECTORS' UNANIMOUS RESOLUTIONS

- 18.1 A decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter.
- 18.2 Such a decision may take the form of a resolution in writing, where each Eligible Director has signed one or more copies of it, or to which each Eligible Director has otherwise indicated agreement in writing.
- 18.3 A decision may not be taken in accordance with this Article if the Eligible Directors would not have formed a quorum at a Director's meeting in accordance with these Articles.
- 18.4 An alternate director may sign a proposed Directors' written resolution (in addition to signing it in his capacity as a Director in his own right, if relevant) on behalf of each of his Appointors who:

18.4.1 have not signed or are not to sign the Directors' written resolution; and

18.4.2 are Eligible Directors in relation to the Directors' written resolution,

provided that (a) the alternate director is himself an Eligible Director in relation to the Directors' written resolution and (b) those persons actually signing the Directors' written resolution would have formed a quorum at a Directors' meeting had the resolution been proposed at such a meeting.

19. CALLING A DIRECTORS' MEETING

- 19.1 Any Director may call a Directors' meeting by giving not less than five Business Days' notice of the meeting (or such lesser notice as the Directors may agree) to the Directors or by authorising the company secretary (if any) to give such notice.
- 19.2 Notice of any Directors' meeting must indicate:
- 19.2.1 its proposed date and time;
- 19.2.2 where it is to take place; and
- 19.2.3 if it is anticipated that Directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- 19.3 Subject to Article 19.4, notice of a Directors' meeting must be given to each Director. Notice does not need to be in writing. A Director who participates in a meeting shall be deemed to have received proper notice of the meeting.
- 19.4 Any Director may waive his entitlement to notice of any Directors' meeting, either prospectively or retrospectively, and any retrospective waiver shall not affect the validity of the meeting or of any business conducted at it.

20. PARTICIPATION IN DIRECTORS' MEETINGS

- 20.1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when:
- 20.1.1 the meeting has been called and takes place in accordance with these Articles; and
 - 20.1.2 they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 20.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 20.3 If all the Directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

21. QUORUM FOR DIRECTORS' MEETINGS

- 21.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on or a decision is to be taken except a proposal to call another meeting.
- 21.2 Subject to Article 21.5, 21.6 and 21.7, a meeting of the Board will be deemed inquorate unless attended by two Eligible Directors.
- 21.3 Subject to these Articles, a person who is an alternate director, but is not a Director in his own right, may be counted as participating for the purposes of determining whether a quorum is participating in any decision at a Directors' meeting, provided that his Appointor (or one of his Appointors):
- 21.3.1 is not participating in the decision at the Directors' meeting; and
 - 21.3.2 would have been an Eligible Director in relation to the decision if he had been participating in it.
- 21.4 No alternate director may be counted as more than one Director for the purposes of determining whether a quorum is participating in any decision at a Directors' meeting.
- 21.5 If the necessary quorum is not present within 10 minutes of the time at which the Directors' meeting was due to start, or if during the meeting a quorum ceases to be present, the meeting shall be adjourned for the consideration of the same business until the same time and place the next following week when those Directors or the Director present, shall constitute a quorum.
- 21.6 For the purposes of any meeting (or part of a meeting) held for the purposes of Article 27.4, if there is only one Eligible Director in office, the quorum for such meeting (or part of a meeting) shall be one Eligible Director.
- 21.7 If the total number of Directors in office for the time being is less than the quorum required, the Directors must not take any decision other than a decision:
- 21.7.1 to appoint further Directors; or
 - 21.7.2 to call a general meeting so as to enable the Shareholders to appoint further Directors.

22. VOTING AT DIRECTORS' MEETINGS

- 22.1 A decision is taken at a Directors' meeting by a majority of the votes of the Eligible Directors participating in the decision at the meeting.

- 22.2 Each Director participating in a decision at a Directors' meeting has one vote.
- 22.3 An alternate director shall have one vote (in addition to his own vote in his capacity as a Director in his own right, if relevant) on any decision at a Directors' meeting for each of his Appointors who:
- 22.3.1 are not participating in the decision at the Directors' meeting; and
 - 22.3.2 would have been Eligible Directors in relation to the decision if they had been participating in it.
- 22.4 If the number of votes for and against a decision at a Directors' meeting are equal, the chairman of the Board shall have a casting vote at any meeting of the Board provided that he is an Eligible Director with respect to that decision.

23. PARTICIPATING AND VOTING WHEN DIRECTOR INTERESTED

- 23.1 A Director shall not be counted as participating for quorum and voting purposes in a decision at a Directors' meeting to authorise a matter for the purposes of section 175 of the Act if, in accordance with section 175(6) of the Act, the matter is such that the authorisation would only be effective if:
- 23.1.1 any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without him counting; and
 - 23.1.2 the matter was agreed to without him voting or would have been agreed to if his vote had not been counted.
- 23.2 Without prejudice to the obligations of any Director:
- 23.2.1 to disclose any interest in proposed or existing transactions or arrangements with the Company in accordance with the Companies Acts; and
 - 23.2.2 to disclose any interest in accordance with Article 27.1,
- and subject always to Article 23.1 and the terms on which any authorisation by the Directors for the purposes of section 175 of the Act has been given, a Director shall be counted as participating for quorum and voting purposes in any decision at a Directors' meeting that is concerned with a matter in which he has, directly or indirectly, an interest.
- 23.3 If any question arises at a Directors' meeting as to the right of a Director (other than the Chairman) to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), the question may, before the conclusion of the meeting, be referred to the Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive.
- 23.4 If any question arises at a Directors' meeting as to the right of the Chairman to be counted as participating for quorum or voting purposes in the meeting (or part of the meeting), the question is to be decided by a decision of the Directors at that meeting, for which purpose the Chairman is not to be counted as participating for quorum or voting purposes.

24. DIRECTORS' DISCRETION TO MAKE FURTHER RULES

Subject to these Articles, the Directors may make any rule which they think fit about how they take decisions, and about how such rules are to be recorded or communicated to Directors.

25. RECORDS OF DIRECTORS' DECISIONS TO BE KEPT

The Directors must ensure that the Company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every decision taken by the Directors.

26. TRANSACTIONS OR ARRANGEMENTS WITH THE COMPANY

Subject to compliance with the Companies Acts (including sections 177 (Duty to declare interest in proposed transaction or arrangement) and 182 (Declaration of interest in existing transaction or arrangement) of the Act) a Director may be a party to, or otherwise (directly or indirectly) interested in, any transaction or arrangement with the Company.

27. DIRECTORS' CONFLICTS OF INTEREST

- 27.1 Subject to Article 27.2, for the purposes of section 175 of the Act a Director shall be authorised to hold office as a director or other officer of, be employed or engaged by, hold shares or other securities in, or otherwise be interested in, whether directly or indirectly, any other member of the Barnett Group and/or Group Member and/or any other undertaking in which the Company is otherwise (directly or indirectly) interested.
- 27.2 In the case of any Director, any authorisation pursuant to Article 27.1 is subject to the Director declaring the nature and extent of his interest (other than a Non-Disclosable Interest) to the other Directors.
- 27.3 For the purposes of this Article 27, a "**Non-Disclosable Interest**" is an interest which cannot reasonably be regarded as likely to give rise to a conflict of interest or one that the other Directors are already aware of or ought reasonably to be aware of.
- 27.4 The following provisions of this Article apply to any authorisation of a matter by the Directors for the purposes of section 175 of the Act:
- 27.4.1 an authorisation may extend to any actual or potential conflict of interest (including a conflict of interest and duty and a conflict of duties) which may reasonably be expected to arise out of the matter so authorised;
- 27.4.2 an authorisation shall be subject to such conditions or limitations as the Directors may determine, whether at the time such authorisation is given or subsequently, and may be terminated by the Directors at any time; and
- 27.4.3 a Director must comply with any obligations imposed on him by the Directors pursuant to any authorisation.
- 27.5 If a matter, office, employment, engagement, position, transaction or arrangement or interest has been authorised either pursuant to Article 27.1 or by the Directors in accordance with section 175 of the Act, then the Director in question shall not be required to disclose to the Company any confidential information received by him (other than by virtue of his position as a Director) relating to such matter, office, employment, engagement, position, transaction or arrangement or interest, or to use such information in relation to the Company's affairs, if to do so would result in a breach of a duty or obligation of confidence owed by him in relation to or in connection with that matter, office, employment, engagement, position, transaction or arrangement or interest.
- 27.6 For the purposes of this Article 27, a conflict of interest includes a conflict of interest and duty and a conflict of duties.

28. ACCOUNTING FOR PROFIT WHEN INTERESTED

- 28.1 Subject to compliance with the Companies Acts (including section 177 (Duty to declare interest in proposed transaction or arrangement) and 182 (Declaration of interest in existing transaction or arrangement) of the Act):

- 28.1.1 a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with any interest (whether directly or indirectly) in any transaction or arrangement with the Company;
 - 28.1.2 no such transaction or arrangement shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
 - 28.1.3 the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.
- 28.2 Subject always to the obligation of the Director to disclose his interest in accordance with Article 27.2 and to the terms on which any authorisation for the purposes of section 175 of the Act has been given:
- 28.2.1 a Director shall not be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him as defined in section 252 of the Act) derives from or in connection with anything authorised pursuant to Article 27.1 or by the Directors for the purposes of section 175 of the Act;
 - 28.2.2 no such thing authorised shall be liable to be avoided on the grounds of any such interest, profit, remuneration or benefit; and
 - 28.2.3 the receipt of any such profit, remuneration or other benefit shall not constitute a breach of his duty under section 176 of the Act.
- 28.3 In any case where, as a result of death or bankruptcy, the Company has no Shareholder and no Director, the Transmittree(s) of the last Shareholder to have died or to have a bankruptcy order made against him (as the case may be) shall have the right, by notice in writing to the Company, to appoint a natural person (including a Transmittree who is a natural person), who is willing to act and is permitted to do so, to be a Director.

29. TERMINATION OF DIRECTOR'S APPOINTMENT

- 29.1 A person ceases to be a Director as soon as:
- 29.1.1 that person is removed as a Director:
 - 29.1.1.1 by ordinary resolution; or
 - 29.1.1.2 by notice in writing to the Company signed by (or, in the case of a corporation, signed on its behalf by a director or by a person authorised by a decision of the directors or other governing body) the holder or holders of such number of Shares as confer the right to a majority of the votes at a general meeting or on a written resolution of the Shareholders (and may consist of several documents in similar form each signed by or on behalf of one or more holders), such removal to take effect when the notice is received by the Company or on such later date (if any) specified in the notice,
- provided that any such removal shall be without prejudice to any claim such Director may have for breach of any contract of service between him and the Company;
- 29.2 that person ceases to be a Director by virtue of any provision of the Companies Acts (including pursuant to section 168 of the Act) or is prohibited from being a Director by law;
- 29.3 a bankruptcy order is made against that person;

- 29.4 a composition or arrangement is made with that person's creditors generally in satisfaction of that person's debts;
- 29.5 a registered medical practitioner who is treating that person gives a written opinion to the Company stating that that person has become physically or mentally incapable of acting as a Director and may remain so for more than three months; or
- 29.6 notice in writing is received by the Company from the Director that he is resigning from office, and such resignation has taken effect in accordance with its terms.

30. DIRECTORS' REMUNERATION AND EXPENSES

Model Articles 23 (Directors' remuneration) and 24 (Directors' expenses) apply for the benefit of Directors, alternate directors and the company secretary (if any).

31. APPOINTMENT AND REMOVAL OF ALTERNATE DIRECTORS

- 31.1 Any Director (other than an alternate director) ("**Appointor**") may appoint any other Director or other person approved by resolution of the Directors as an alternate to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Directors in the absence of the alternate's Appointor, and may remove from office an alternate so appointed by him.
- 31.2 Any appointment or removal of an alternate must be effected by notice in writing to the Company signed by the Appointor, or in any other manner approved by the Directors. The appointment or removal shall take effect, subject to any required approval of the Directors, when the notice is received by the Company or on such later date (if any) specified in the notice.
- 31.3 The notice must:
 - 31.3.1 identify the proposed or existing alternate; and
 - 31.3.2 in the case of a notice of appointment, contain (or be accompanied by) a statement signed by the proposed alternate that the proposed alternate is willing to act as the alternate of the Director giving the notice.
- 31.4 A person may act as an alternate for more than one Director.

32. RIGHTS AND RESPONSIBILITIES OF ALTERNATE DIRECTORS

- 32.1 Except as these Articles specify otherwise, alternate directors:
 - 32.1.1 are deemed for all purposes to be Directors;
 - 32.1.2 are liable for their own acts and omissions;
 - 32.1.3 are subject to the same restrictions as their Appointors; and
 - 32.1.4 are not deemed to be agents of or for their Appointors.
- 32.2 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director, except such part of his Appointor's remuneration as the Appointor may direct by notice in writing made to the Company.
- 32.3 Subject to these Articles, an alternate director has the same rights in relation to any decision of the Directors and any meetings of committees of Directors as each of the alternate's Appointors. In particular, each alternate director is entitled to receive notice of all proposed Directors' written

resolutions and of all Directors' meetings and meetings of committees of Directors which each of his Appointors is entitled to receive.

33. TERMINATION OF ALTERNATE DIRECTORSHIP

An alternate director's appointment as an alternate for an Appointor terminates:

- 33.1 when that Appointor removes his alternate director in accordance with Article 31 (Appointment and removal of alternate directors);
- 33.2 on the occurrence in relation to the alternate director of any event which, if it occurred in relation to that Appointor, would result in the termination of that Appointor's appointment as a Director;
- 33.3 on the death of that Appointor;
- 33.4 when that Appointor's appointment as a Director terminates; or
- 33.5 when notice in writing is received by the Company from the alternate director that he is resigning as an alternate director of that Appointor, and such resignation has taken effect in accordance with its terms.

34. DIRECTORS' INDEMNITY AND INSURANCE

Model Article 85 shall apply save that the word "may" in the first line shall be replaced with the word "shall".

35. WRITTEN RESOLUTIONS

- 35.1 A resolution of the Shareholders (or a class of Shareholders) may be passed as a written resolution in accordance with Chapter 2 of Part 13 of the Act.
- 35.2 A proposed written resolution lapses if it is not passed before the end of the period of 28 days beginning with the circulation date (as defined in section 290 of the Act).

36. VOTING

- 36.1 The voting rights of Shareholders as stated in the Act and in Article 36.2 and 36.3 are subject to:
 - 36.1.1 Article 8.4 (Transmission of Shares); and
 - 36.1.2 Article 16.2 (Transfer provisions – Evidence of compliance).
- 36.2 The Shareholders shall be entitled to receive notice of, and to attend, speak and vote at, general meetings of the Company and to vote on any written resolution of the Shareholders.
- 36.3 Upon any resolution proposed at a general meeting of the Company on a show of hands and on a poll every Shareholder who is present in person or by proxy shall have one vote in respect of each Share registered in his name and on a vote on a written resolution of the Shareholders every Shareholder shall have one vote in respect of each Share registered in his name.

37. DELIVERY OF PROXY NOTICES

- 37.1 A proxy notice must be received by the Company not less than 48 hours before the commencement of the general meeting or adjourned meeting to which it relates and in accordance with any instructions contained in the notice of general meeting (or adjourned meeting) to which it relates, and a proxy notice which is not delivered in such manner shall be invalid, unless the Directors, in their discretion, accept the notice at any time before the meeting.

- 37.2 A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the Company by or on behalf of that person. However, if that person votes at the meeting or adjourned meeting on a resolution, then as regards that resolution any proxy notice delivered to the Company by or on behalf of that person shall:
- 37.2.1 on a show of hands, be invalid;
- 37.2.2 on a poll, be invalid to the extent that such person votes in respect of the Shares to which the proxy notice relates.
- 37.3 An appointment under a proxy notice may be revoked by delivering to the Company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given. A notice revoking a proxy appointment only takes effect if it is received by the Company before the commencement of the meeting or adjourned meeting to which it relates.
- 37.4 When two or more valid but different proxy notices are received in respect of the same Share for use at the same meeting or adjourned meeting, the one which is last validly received (regardless of its date or the date of its execution) shall be treated as replacing and revoking the other(s) as regards that Share. If the Company is unable to determine which was last received, none of them shall be treated as valid in respect of that Share.
- 37.5 If a proxy notice or notice of revocation of a proxy notice is not signed by the person appointing or revoking the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the Appointor's behalf.

38. CORPORATE REPRESENTATIVES

Where a Shareholder that is a corporation has authorised a representative or representatives to act on its behalf at a general meeting or at any separate meeting of the holders of any class of Share in accordance with the Act:

- 38.1 the corporation shall, for the purposes of these Articles, be deemed to be present in person at any such meeting if any such representative is present at it, and all references to attendance and voting in person shall be construed accordingly;
- 38.2 a Director or the company secretary (if any) may require any such representative to produce a certified copy of such authority before such representative is entitled to exercise any power on behalf of the corporation which he represents; and
- 38.3 a vote given or poll demanded by such representative at a general meeting or adjourned meeting (or at any separate meeting of the holders of any class of Share) shall be valid even though his authority has previously terminated unless notice in writing of the termination was received by the Company before the commencement of that meeting.

39. VOTING AT GENERAL MEETINGS – MODEL ARTICLES

Subject to Article 4, the following Model Articles apply:

29	Attendance and speaking at general meetings
30	Quorum for general meetings
31	Chairing general meetings
32	Attendance and speaking by directors and non-members

33	Adjournment
34	Voting: general
35	Errors and disputes
36, except that a poll may be demanded at any meeting by any qualifying person (as defined in section 318 of the Act) present and entitled to vote at the meeting.	Demanding a poll
37, except that polls must be taken immediately and in such manner as the chairman of the meeting directs.	Procedure on a poll
38	Content of proxy notices
40	Amendments to resolutions

40. VARIATION OF SHARE RIGHTS

- 40.1 The rights attached to any class of Shares may be varied:
- 40.1.1 with the consent in writing from the holders for the time being of more than 75 per cent of the number of Shares of that class that are eligible to vote at a separate meeting of the holders of that class; or
 - 40.1.2 by a special resolution passed at a separate meeting of the holders of that class sanctioning the variation.
- 40.2 The allotment of, or the grant of rights to subscribe for, or to convert any securities into, Shares which have preferential rights to one or more existing classes of Shares shall not constitute an alteration of the rights attached to any such existing classes of Shares.

41. CLASS MEETINGS

The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares. In particular, any separate meeting for the holders of any class of Shares shall be called and conducted in all respects as nearly as possible in the same way as a general meeting of the Company, provided that:

- 41.1 no Shareholder, other than a Director, shall be entitled to notice of, or to attend or speak at, any such meeting unless he is a holder of Shares of that class;
- 41.2 the quorum at any such meeting (other than an adjourned meeting) shall be two persons (or if there is only one person holding Shares of that class, one person) present in person or by proxy holding or representing by proxy at least one-third in nominal value of the Shares of that class (excluding any shares of that class held as treasury shares);
- 41.3 the quorum at any adjourned meeting shall be one person holding Shares of that class who is present in person or by proxy; and
- 41.4 a poll may be demanded by any person holding Shares of that class who is present in person or by proxy and entitled to vote at the meeting and, subject to these Articles, on a poll, every Shareholder who is present in person or by proxy shall have one vote for every Share of that class he holds.

42. DISTRIBUTIONS – MODEL ARTICLES

Subject to Article 4.3, the following Model Articles apply:

70	Procedure for declaring dividends
72, except that the words " <i>either</i> " and " <i>or as the directors may otherwise decide</i> " shall be deemed to be deleted from each of the Model Articles 71(1)(a) to 72(1)(d) inclusive.	Payment of dividends and other distributions
73	Deductions from distributions in respect of sums owed to the company
74	No interest on distributions
75	Unclaimed distributions
76	Non-cash distributions
77	Waiver of distribution

43. INTERESTS IN SHARES

Model Article 45 (Company not bound by less than absolute interests) shall apply.

44. LIENS, CALLS ON SHARES, FORFEITURE AND SURRENDER

44.1 The following Model Articles apply:

52, except that the company's lien shall apply to every share which is not fully paid	Company's lien over partly paid shares
53	Enforcement of the company's lien
55	Liability to pay calls
56(2)	When call notice need not be issued
57	Failure to comply with call notice: automatic consequences
58	Notice of intended forfeiture
59	Directors' power to forfeit shares
60	Effect of forfeiture
61	Procedure following forfeiture
62	Surrender of shares

45. CALL NOTICES

- 45.1 The Directors may only send a notice (a "**call notice**") to a Shareholder in circumstance where that Shareholder proposes to transfer (or is required to transfer) its Shares under these Articles, thereby requiring that Shareholder to pay the Company a specified sum of money (a "**call**"), which is payable in respect of any Shares which that Shareholder holds at the date when the Directors decide to send the call notice.
- 45.2 A call notice need not be issued and shall therefore be deemed to have been automatically served:

- 45.2.1 in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share (whether in respect of nominal value or premium):
 - 45.2.1.1 on allotment;
 - 45.2.1.2 on the occurrence of a particular event; or
 - 45.2.1.3 on a date fixed by or in accordance with the terms of issue; or
- 45.2.2 on an Exiting Member upon service of an Option Notice, requiring the Exiting Member to pay the Company the call which is payable in respect of any Shares which that Exiting Member holds at the Exercise Date.
- 45.3 A call notice—
 - 45.3.1 may not require an Exiting Member or Shareholder (as applicable) to pay a call which exceeds the total sum unpaid on that an Exiting Member's or Shareholders' Shares (as applicable) (whether as to the Share's nominal value or any amount payable to the Company by way of premium);
 - 45.3.2 must state when and how any call to which it relates it is to be paid; and
 - 45.3.3 may not permit the Exiting Member or Shareholder (as applicable) to pay the call by instalments.
- 45.4 An Exiting Member must comply with the requirements of a call notice, including the obligation to pay any call by the Completion Date.
- 45.5 A Shareholder must comply with the requirements of a call notice, including the obligation to pay the call by the date stated in the call notice.
- 45.6 Before the Company has received any call due under a call notice the Directors may—
 - 45.6.1 revoke it wholly or in part, or
 - 45.6.2 specify a later time for payment than is specified in the notice,
 by a further notice in writing to the Exiting Member or Shareholder (as applicable) in respect of whose Shares the call is made.

46. CAPITALISATION

Model Article 78 shall apply, but any Shares allotted pursuant to Model Article 78(3) can only be allotted to the persons entitled (and not as they direct) and, for the purposes of Model Article 78, unless the relevant ordinary resolution provides otherwise, if the Company holds treasury shares of the relevant class, it shall be treated as if it were entitled to receive the dividends in respect of those treasury shares which would have been payable if those treasury shares had been held by a person other than the Company.

47. FRACTIONS ARISING ON CONSOLIDATION AND DIVISION

- 47.1 Model Article 69 (Procedure for disposing of fractions of shares) shall apply.
- 47.2 Whenever, as the result of any consolidation or consolidation and division of Shares, any Shareholders would become entitled to fractions of Shares, the Directors may, subject to the provisions of the Companies Acts, allot to each such Shareholder, credited as fully paid by way of capitalisation, the minimum number of new Shares required to round up his holding following

the consolidation to a whole number (such allotment being deemed to have been effected immediately before consolidation). For such purpose, the Directors may:

- 47.2.1 capitalise a sum equal to the aggregate nominal amount of the new Shares to be allotted on that basis out of any profits or reserve of the nature referred to in Model Article 78(1); and
- 47.2.2 appropriate and apply such sum in paying up in full the appropriate number of new Shares for allotment and distribution to such Shareholders on that basis; and
- 47.2.3 generally do all acts and things required to give effect to any capitalisation pursuant to this Article 47.

48. COMPANY SECRETARY

The Directors may appoint any person who is willing to act to be the company secretary for such term and on such conditions as they think fit, and may remove any company secretary so appointed.

49. SHARE CERTIFICATES, COMPANY SEAL AND RECORDS

- 49.1 The following Model Articles apply:

46	Certificates to be issued except in certain circumstances
47 except 47(2)(a)	Contents and execution of certificates
48	Consolidated certificates
49, except that in Model Article 49(2)(c), the words <i>"evidence, indemnity and the payment of a reasonable fee"</i> shall be deemed to be deleted and replaced with the words <i>"evidence and indemnity"</i> .	Replacement share certificates
81, except to the extent relating to security seals	Company seals
83	No right to inspect accounts and other records

50. FORM OF NOTICE

Any notice or other document to be given pursuant to these Articles (other than a notice calling a meeting of the Directors) must be in writing.

51. NOTICES TO THE COMPANY

Any notice, document or other information may be served on or sent or supplied to the Company by anyone:

- 51.1 by sending it through the post in a prepaid envelope addressed to the Company or any officer of the Company at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose;
- 51.2 by delivering it by hand to or leaving it at its registered office or such other place in the United Kingdom as may from time to time be specified by the Company for that purpose in an envelope addressed to the Company or any officer of the Company;

- 51.3 by sending or supplying it by electronic means to an address specified by the Company from time to time for that purpose; or
- 51.4 by any other means authorised in writing by the Company.

52. NOTICES TO SHAREHOLDERS AND TRANSMITTEES

- 52.1 Any notice, document or other information may be served on or sent or supplied to any Shareholder:
 - 52.1.1 personally;
 - 52.1.2 by sending it through the post in a prepaid envelope addressed to the Shareholder at his registered address;
 - 52.1.3 by delivering it by hand to or leaving it at that address in an envelope addressed to the Shareholder;
 - 52.1.4 by sending or supplying it by electronic means to an address notified by the Shareholder to the Company from time to time for that purpose; or
 - 52.1.5 by any other means authorised in writing by the relevant Shareholder.
- 52.2 Nothing in Article 52.1 shall affect any provision of the Companies Acts requiring offers, notices or documents to be served on or sent or supplied to a Shareholder in a particular way.
- 52.3 In the case of joint holders of a Share:
 - 52.3.1 all notices, documents or other information shall be served on or sent or supplied to the person named first in the register in respect of the joint holding, and notice so given shall be sufficient notice to all joint holders; and
 - 52.3.2 any request for consent to the receipt of communications in electronic form shall be sent or supplied to the person named first in the register in respect of the joint holding, and any express consent given by such holder to the receipt of communications in such manner shall bind all joint holders.
- 52.4 If a notice, document or other information is served on or sent or supplied to a Shareholder in respect of Shares and a Transmitttee is entitled to those Shares, the Transmitttee is bound by the notice.
- 52.5 Notices, documents or other information to be served on or sent or supplied to a Transmitttee may be served on or sent or supplied to him by name, or by the title of the representative of the deceased or trustee of the bankrupt (or by any like description), at an address supplied for the purpose by him. Articles 52.1 and 54 shall apply to any notice, document or information so served, sent or supplied as if references in those Articles to:
 - 52.5.1 "Shareholder" are to the Transmitttee; and
 - 52.5.2 a Shareholder's "registered address" or "address" are to the address so supplied.

This Article 52.5 is without prejudice to paragraph 17 of schedule 5 to the Act.

53. NOTICES TO DIRECTORS

Any notice, document or other information may be served on or sent or supplied to a Director by the Company or by any other Director or the company secretary (if any):

- 53.1 personally;
- 53.2 (other than a notice of a proposed Directors' written resolution) by word of mouth;
- 53.3 by sending it through the post in a prepaid envelope addressed to the Director at his registered address or such other postal address as may from time to time be specified by him for that purpose;
- 53.4 by delivering it by hand to or leaving it at that address in an envelope addressed to him;
- 53.5 by sending or supplying it by electronic means to an address specified from time to time by the Director for that purpose; or
- 53.6 by any other means authorised in writing by the Director.

54. SERVICE OF NOTICES ON SHAREHOLDERS OR DIRECTORS

Any notice, document or other information (other than any notice, document or other information given to the Company including, for the avoidance of doubt, the appointment of a proxy):

- 54.1 addressed to a Shareholder or a Director in the manner prescribed by these Articles shall, if sent by post (whether in hard copy form or electronic form), be deemed to have been received:
 - 54.1.1 (if prepaid as first class) 24 hours after it was posted;
 - 54.1.2 (if prepaid as second class) 48 hours after it was posted;
 - 54.1.3 (if prepaid as airmail) 72 hours after it was posted,and, in proving such receipt, it shall be sufficient to prove that the envelope containing such notice, document or other information was properly addressed, prepaid and put in the post;
- 54.2 not sent by post, but addressed to a Shareholder or a Director and delivered by hand to or left at an address in accordance with these Articles, shall be deemed to have been received on the day it was so delivered or left;
- 54.3 served, sent or supplied to a Shareholder or a Director by electronic means shall be deemed to have been received on the day it was sent, and, in proving such receipt, it shall be sufficient to show that such notice, document or information was properly addressed;
- 54.4 served, sent or supplied by any other means authorised in writing by the Shareholder or the Director shall be deemed to have been received when the Company has carried out the action it has been authorised to take for that purpose.