

Print Written Resolution

of

FHS Stockton Limited (the "Company")

Company Number: 09812660

Passed on *16 July* **2018**

The following resolution was duly passed as a special resolution by way of a written resolution under Chapter 2 of Part 13 of the Companies Act 2006.

SPECIAL RESOLUTION

THAT the regulations annexed to this written resolution be and are hereby adopted as the new articles of association of the Company in substitution for and to the entire exclusion of the Company's existing articles of association (the "**New Articles**").

Signed *[Signature]*

Director

THURSDAY



A16 *A7AIQDJ7* 19/07/2018 #113
COMPANIES HOUSE

Company No 09812660

THE COMPANIES ACT 2006

PRIVATE COMPANY LIMITED BY SHARES

ARTICLES OF ASSOCIATION OF

FHS STOCKTON LIMITED

(Adopted by Special Resolution passed on the 16th day of July 2018)

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Company Number: 09812660

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

(Adopted by Special Resolution passed on the 16th day of July 2018)
PART 1 – DEFINITIONS AND INTERPRETATION

1. DEFINITIONS AND INTERPRETATION

1.1. The definitions set out in this Article 1.1 apply in these articles.

"Acceptance Period"	has the meaning given in Article 12.5.
"Act"	the Companies Act 2006.
"Acting in Concert"	has the meaning given by the City Code on Takeovers and Mergers as in force and construed on the Adoption Date.
"Adoption Date"	16 th July 2018.
"Allocated Person"	has the meaning given in Article 12.9.
"Alternate"	has the meaning given in Article 41.1.
"Appointor"	has the meaning given in Article 41.1.
"Authorisation"	has the meaning given in Article 33.2.
"Authorised Person"	(a) any Director; (b) the company secretary (if any); or (c) any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.
"Available Shares"	has the meaning given in Article 12.5.
"Bad Leaver"	means a Leaver other than a Good Leaver.
"Base Rate"	the base lending rate from time to time of Lloyds TSB Bank plc.
"Board"	means the Board of Directors of the Company from time to time.
"Capitalised Sum"	has the meaning given in Article 59.1.2.
"Chairman"	the chairman of the Company from time to time.

"Chairman of the Meeting"	the person chairing the relevant general meeting in accordance with Article 61.
"Close Date"	has the meaning given in Article 14.2.2.
"Committed Shareholder"	has the meaning given in Article 14.1.
"Company"	FHS Stockton Limited.
"Completion"	completion of the sale of the relevant Sale Shares in accordance with these articles.
"Conflict"	has the meaning given in Article 33.1.
"Conflicted Director"	has the meaning given in Article 33.1.
"Connected Person"	a person connected with another within the meaning of section 1122 of CTA.
"Controlling Interest"	an interest (within the meaning of schedule 1 to the Act) in more than 50% of the Equity Shares.
"Controlling Shares"	has the meaning given in Article 14.1.
"CTA"	the Corporation Tax Act 2010.
"Director"	a director of the Company, including any person occupying the position of director, by whatever name called.
"Distribution Amount"	the amount available for distribution in accordance with the provisions of Article 6.
"Distribution Recipient"	in relation to a Share in respect of which a dividend or other sum is payable: <ul style="list-style-type: none"> (a) the Holder of that Share; (b) if that Share has two or more joint Holders, whichever of them is named first in the register of members; or (c) if the Holder is no longer entitled to that Share by reason of death or bankruptcy, or otherwise by operation of law, the Transmitttee.
"Dragged Shareholders"	has the meaning given in Article 13.1.
"Dragged Shares"	has the meaning given in Article 13.1.
"Drag Notice"	has the meaning given in Article 13.2.
"Drag Option"	has the meaning given in Article 13.1.
"Drag Price"	has the meaning given in Article 13.2.2.
"Electronic Form"	has the meaning given in section 1168 of the Act.

"Eligible Directors"	in relation to any matter, the Directors who would have been entitled to vote on, and whose votes would have been counted in respect of, that matter had it been proposed as a resolution at a Directors' meeting.
"Eligible Shareholders"	each Equity Shareholder who is an Equity Shareholder at the close of business on the date the relevant Transfer Notice is deemed served (any Excluded Person and any other Shareholder who at any time before that date is deemed to have given a current Transfer Notice in respect of any Share or who is bound under these articles to give a Transfer Notice in respect of any Share).
"Employee"	a director and/or employee of or provider of services to any Group Company.
"Employee Trust"	a trust approved by the Shareholder Majority established to hold Shares for the benefit of Employees.
"Equity Securities"	has the meaning given in section 560(1) of the Act.
"Equity Shareholders"	the Holders of the Equity Shares from time to time.
"Equity Shares"	the Shares in the capital of the Company.
"Event"	a Share Sale or a Listing.
"Excess Securities"	has the meaning given in Article 9.2.
"Excluded Person"	a person who is: <ul style="list-style-type: none"> (a) a Leaver; or (b) an Employee who has given or been given notice to terminate his contract of employment with any Group Company and following that termination will cease to be an Employee.
"Executive"	has the meaning given in the Shareholder Agreement.
"Expert"	a firm of chartered accountants (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of disagreement as to the nomination for a period of seven days, nominated on the application of any of the parties concerned by the President for the time being of the Institute of Chartered Accountants in England and Wales. The parties concerned shall co-operate in relation to the nomination and subsequent appointment of the firm of chartered accountants and shall not unreasonably withhold their consent to the nomination or subsequent appointment, or the terms of engagement for the appointment, of the firm of chartered accountants. In the event that after nomination there is disagreement between the parties concerned as to the terms of engagement of the nominated firm of chartered accountants for a period of seven days, the Shareholder

	Majority is unconditionally and irrevocably authorised to appoint any person as agent of those parties to sign the latest version of those terms of engagement on behalf of those parties, who shall then be bound by those terms of engagement.
"Fair Price"	the price per Sale Share agreed between the relevant Leaver and (with Shareholder Consent) the Company within 10 days after the date the relevant Transfer Notice is deemed served or, failing such agreement, the price determined by the Expert pursuant to Article 12.3.
"Financial Year"	an accounting reference period (as defined by the Act) of the Company.
"Flame Group"	Flame Heating Group Limited (crn: 10885334) or any person to whom that company transfers its shares in accordance with Article 11.2,
"Flame Group Shares"	any Shares held by or on behalf of Flame Group;
"Fully Paid"	in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been Paid to the Company.
"Good Leaver"	<p>(a) a Leaver who becomes a Leaver as a result of</p> <ul style="list-style-type: none"> i. death; ii. permanent disability or permanent incapacity through ill health; iii. retirement after the age of 65 (or earlier with the agreement of the Board); or <p>(b) a Leaver who becomes a Leaver as a result of ceasing to be an Employee but the Directors (with approval of the Board) resolve that he is to be treated as a Good Leaver in circumstances where that Leaver would otherwise be a Bad Leaver.</p>
"Group"	<p>in relation to a company:</p> <ul style="list-style-type: none"> (a) that company; (b) any company which is from time to time a subsidiary of that company; and (c) any company of which that company is a subsidiary from time to time (its holding company) and any other subsidiaries of any such holding company from time to time.
"Group Company"	any member of the Company's Group.
"Hard Copy Form"	has the meaning given in section 1168 of the Act.

"Holder"	in relation to a Share, the person whose name is entered in the register of members as the holder of that Share from time to time.
"Interested Shareholders"	has the meaning given in Article 14.1.
"Issue Date"	in relation to any Share the date upon which it is issued or in the case of a Share transferred in accordance with the provisions of Article 11.1 the date upon which it is transferred or in the case of a Share acquired pursuant to the exercise of an option granted by the Company the date on which the option was granted.
"Issue Price"	in relation to any Share which is issued to the Holder, the price at which that Share is issued (being the aggregate of the amount Paid in respect of the nominal value of that Share and any share premium on that Share) or in the case of a Share which has been acquired by the Holders, the price paid therefor.
"Leaver"	<ul style="list-style-type: none"> (a) a who ceases to be an Employee; (b) a person who becomes entitled to any Shares: <ul style="list-style-type: none"> (i) on the death or bankruptcy of a Shareholder; (ii) on the exercise of an option after ceasing to be an Employee; (c) a Shareholder who is holding any Shares as nominee for any person who ceases to be an Employee; or (d) a Shareholder who serves a Transfer Notice pursuant to Article 11.2.2.
"Leaver's Shares"	the Shares held by a Leaver, or to which that Leaver is entitled, on the Leaving Date and any Shares acquired by that Leaver after the Leaving Date and in the case of any shares held by a Leaver who is not an Employee but to whom shares were transferred or transmitted by a Leaver who has ceased to be an Employee.
"Leaving Date"	in relation to any Leaver, the date on which he becomes a Leaver (which, in the case of any Shareholder who becomes a Leaver by virtue of any person ceasing to be an Employee, shall be the Termination Date in relation to that former Employee).
"Listing"	the admission of any Shares (or securities representing Shares) to, or the grant of permission for any Shares (or securities representing Shares) to be traded on, the Official List of the United Kingdom Listing Authority, AIM or any other recognised investment exchange (as defined in section 285(1)(a) of the Financial Services and Markets

	Act 2000).
"Majority Decision"	a majority decision taken at a Directors' meeting.
"Non-Cash Consideration"	has the meaning given in Article 13.2.2.
"Non-Flame Group Shares"	all Shares which are not Flame Group Shares;
"Offeree"	has the meaning given in Article 12.4.
"Offer Notice"	has the meaning given in Article 12.5.
"Ordinary Resolution"	has the meaning given in section 282 of the Act.
"Paid"	paid or credited as paid.
"Participate"	has the meaning given in Article 29.1 and "Participating" shall be construed accordingly.
"Payment Date"	the due date for payment of any instalment of any <i>Relative Dividend</i> .
"Persons Entitled"	has the meaning given in Article 59.1.2.
"Proceeds"	the proceeds of a Share Sale.
"Proposed Controller"	has the meaning given in Article 14.1.
"Proxy Notice"	has the meaning given in Article 67.1.
"Proxy Notification Address"	has the meaning given in Article 68.1.
"Qualifying Person"	<ul style="list-style-type: none"> (a) an individual who is a Shareholder; (b) a person authorised under section 323 of the Act to act as the representative of a company in relation to the relevant general meeting; or (c) a person appointed as proxy of a Shareholder in relation to the relevant general meeting.
"Relevant Director"	any director or former director of any Group Company.
"Relevant Loss"	any loss or liability which has been or may be incurred by a Relevant Director in connection with his duties or powers in relation to any Group Company or any pension fund or employees' share scheme of any Group Company.
"Relevant Shares"	has the meaning given in Article 13.1.
"Sale Notice"	has the meaning given in Article 12.10.
"Sale Price"	the price per Share at which the relevant Leaver must

	transfer the Sale Shares determined in accordance with Article 12.1.
"Sale Shares"	has the meaning given in Article 11.1.1.
"Second Acceptance Period"	has the meaning given in Article 12.7.
"Second Available Shares"	has the meaning given in Article 12.7.
"Second Offer Notice"	has the meaning given in Article 12.7.
"Shareholder"	a person who is the Holder of a Share.
"Shareholder Agreement"	the agreement dated on or about the Adoption Date and made between (1) the Company and (2) the Shareholders.
"Shareholder Consent"	means the consent of the Shareholder Majority.
"Shareholder Majority"	the Shareholders who hold more than 50% of the issued share capital of the Company.
"Shareholder Authorisation"	has the meaning given in Article 33.4.
"Shares"	shares in the Company.
"Share Sale"	the completion of any sale of any interest in any Share (whether in one transaction or a series of related transactions) resulting in the transferee (either alone or together with its Connected Persons) holding a Controlling Interest.
"Special Resolution"	has the meaning given in section 283 of the Act.
"Start Date"	the date on which the Sale Price for the relevant Sale Shares is agreed or determined.
"Tag Notice"	has the meaning given in Article 14.2.
"Tag Offer"	has the meaning given in Article 14.1.
"Tag Price"	has the meaning given in Article 14.2.1.
"Termination Date"	<ul style="list-style-type: none"> (a) where employment ceases by virtue of notice given by the employer to the Employee concerned, the date on which that notice expires; (b) where a contract of employment is terminated by notice given by the employer and a payment is made in lieu of notice, the date on which that notice was given or, if later, the date the Employee concerned ceases to be an Employee; (c) where the Employee concerned is a director and

an employee of any Group Company, the date on which that Employee's contract of employment with that Group Company is terminated (unless the Shareholders direct otherwise);

(d) where the Employee concerned is a director (but not an employee) of any Group Company, the date on which the contract for the provision of that Employee's services (whether entered into directly with him or with a third party) with that Group Company is terminated; or

(e) in any other case, the date on which the contract of employment or contract for services of the Employee concerned is terminated.

"Third Party Purchaser"	any person who is not a Shareholder or a Connected Person of a Shareholder and who has made an offer to acquire the entire issued share capital of the Company.
"Transaction"	has the meaning given in Article 34.1.
"Transaction Director"	has the meaning given in Article 34.1.
"Transfer Form"	an instrument of transfer of Shares in any usual form or in any other form approved by the Directors, which is executed by or on behalf of the transferor.
"Transfer Notice"	a notice stating that the relevant Shareholder (including a Leaver) wishes to sell Shares.
"Transmittee"	a person entitled to a Share by reason of the death or bankruptcy of a Shareholder or otherwise by operation of law.
"Uncommitted Shareholders"	has the meaning given in Article 14.1.
"Uncommitted Shares"	has the meaning given in Article 14.1.
"Unanimous Decision"	has the meaning given in Article 27.1.
"Writing"	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in Electronic Form or otherwise.

1.2. The rules of interpretation set out in Articles 1.3 to 1.9 (inclusive) apply in these articles.

1.3. A reference to:

1.3.1. a "person" includes a reference to:

- 1.3.1.1. any individual, firm, partnership, unincorporated association or company wherever incorporated or situate; and
- 1.3.1.2. that person's legal personal representatives, trustees in bankruptcy and successors;
- 1.3.2. **"bankruptcy"** includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
- 1.3.3. a **"document"** includes, unless otherwise specified, any document sent or supplied in Electronic Form; and
- 1.3.4. a **"company"** shall include any company, corporation or other body corporate, wherever and however incorporated or established.
- 1.4. Unless the context otherwise requires:
 - 1.4.1. words denoting the singular shall include the plural and vice versa;
 - 1.4.2. words denoting a gender shall include all genders; and
 - 1.4.3. references to (or to any specified provision of) these articles or any other document shall be construed as references to these articles, that provision or that document as in force and as amended from time to time.
- 1.5. Unless stated to the contrary, a reference to a statute, statutory provision or subordinate legislation includes a reference to it as modified, replaced, amended and/or re-enacted from time to time (before or after the Adoption Date) and any prior or subsequent legislation made under it but this Article 1.5 shall not operate so as to impose on any person any greater obligation than would otherwise apply.
- 1.6. Unless the context otherwise requires, words or expressions used in these articles shall have the same meaning as in the Act.
- 1.7. Any phrase introduced by the terms **"including"**, **"include"**, **"in particular"** or any similar expression shall be construed as illustrative and shall not limit the sense of the words preceding those terms.
- 1.8. A reference to an **"Article"** is to an article of these articles.
- 1.9. A reference to a **"transfer of Shares"** or any similar expression shall include a sale or transfer of any interest in any Shares (whether legal, beneficial or otherwise) and any charge, mortgage or other encumbrance granted over any Shares.

PART 2 – SPECIFIC INVESTMENT PROVISIONS

2. SHAREHOLDER CONSENT

- 2.1. A Shareholder Consent required or permitted to be given under these articles shall be given by those Shareholders entitled to exercise such rights.

3. **EXTENT OF SHAREHOLDER CONSENT**

- 3.1. Any consent in Writing or approval given by the Shareholder Majority to a matter or event in respect of which Shareholder Consent is required shall, unless that consent or approval expressly states otherwise, be deemed to be a Shareholder Consent for the purpose of these articles.

4. **SHARE CAPITAL**

The share capital of the Company is comprised of Equity Shares.

5. **SHARE RIGHTS (INCOME)**

- 5.1. The profits of the Company available for distribution shall be applied as the Board of Directors shall (with Shareholder Consent) determine.

6. **SHARE RIGHTS (CAPITAL)**

On a return of assets (whether on liquidation, capital reduction or otherwise), the assets of the Company remaining after the payment of its liabilities shall be applied in accordance with the provisions of Article 8 which shall apply mutatis mutandis and in particular as though references to the Proceeds were to the Distribution Amount.

7. **SHARE RIGHTS (VOTING)**

- 7.1. Subject to any special rights or restrictions as to voting attached to any Share by, or in accordance with, these articles:

7.1.1. on a show of hands at a general meeting every Equity Shareholder who (being an individual) is present in person or by one or more proxies or (being a corporation) is present by one or more duly authorised representatives or proxies, shall have one vote; and

7.1.2. on a vote on:

7.1.2.1. a resolution on a poll taken at a general meeting; or

7.1.2.2. a written resolution;

every Equity Shareholder shall (subject to Article 7.2) have one vote for every Equity Share he holds.

- 7.2. If the Shareholder Majority so directs, any Share currently the subject of a Transfer Notice shall not confer the right to receive notice of, attend or vote at any general meeting of the Company (or meeting of any class of Shareholder) and that Share shall not:

7.2.1. be counted:

7.2.1.1. in determining the total number of votes which may be cast at that meeting;

7.2.1.2. for the purposes of a written resolution; or

7.2.1.3. for the purposes of a written consent of any Shareholder or class of Shareholders; or

7.2.2. entitle the Shareholder who holds that Share to participate in any allotment of Shares pursuant to Article 9.

8. PROCEEDS OF AN EVENT

8.1. On a Share Sale, the Shareholders shall (except with Shareholder Consent) pay the Proceeds into a joint account at a UK clearing bank (nominated by the Shareholder Majority immediately prior to completion of the Share Sale) and the Proceeds shall be distributed amongst the holders of Equity Shares in proportion (as nearly as possible) to the number of such Equity Shares held by them respectively).

8.2. Immediately prior to, and conditionally on, a Listing, the Shareholders shall enter into such reorganisation of the share capital of the Company as they may agree (or, in the event of disagreement for seven days, as the Shareholder Majority may specify) to ensure (to the extent possible) that the provisions of Article 6 shall apply.

9. UNISSUED SHARES

Subject to these articles, the pre-emption provisions of sections 561 and 562 of the Act shall apply to any allotment of Equity Securities by the Company (whether or not they are, or are to be, wholly or partly paid up otherwise than in cash) provided that:

9.1. for the purposes of those sections the Equity Shares shall be treated as one class;

9.2. the Equity Shareholders who accept any Equity Securities so offered shall be entitled to indicate that they would accept Equity Securities that have not been accepted by other Equity Shareholders (the "**Excess Securities**") on the same terms as originally offered to all Equity Shareholders;

9.3. any Excess Securities shall be allotted to those Equity Shareholders who have applied for any of them in proportion to the number of Equity Shares then held by them respectively (but without allocating to any Equity Shareholder a greater number of Excess Securities than the maximum number applied for by that Equity Shareholder) and any remaining Excess Securities shall be allocated by applying this Article 9.3 without taking account of any Equity Shareholder whose application has already been fully satisfied; and

9.4. any Excess Securities not allotted or not capable of being allotted as specified above except by way of fractions shall be under the control of the Directors, who may (with Shareholder Consent) allot, grant options over or otherwise dispose of them to such persons, on such terms, and in such manner as they think fit, provided that those Excess Securities shall not be disposed of on terms which are more favourable than the terms on which they were offered to the Equity Shareholders.

10. SHARE TRANSFERS

10.1. The Directors shall only refuse to register a transfer of Shares if they are specifically required or authorised to do so by these articles. If the Directors do refuse to register a transfer of Shares, they must, as soon as practicable and in any event within two months after the date on which the relevant Transfer Form was lodged with the

Company, return that Transfer Form to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

- 10.2. The Directors shall refuse to register any transfer of Shares made in contravention of the provisions of these articles.
- 10.3. Any transfer of Shares made or purported to be made in contravention of the provisions of these articles shall be of no effect.
- 10.4. Except for a transfer pursuant to Articles 11 to 14 (inclusive), no Shares may be transferred unless:
 - 10.4.1. an Shareholder Consent has been obtained; and
 - 10.4.2. (except as otherwise required pursuant to the Shareholder Agreement) the proposed transferee has entered into an agreement to be bound by the Shareholder Agreement in the form required by the Shareholder Agreement.
- 10.5. Shares shall be transferred by means of a Transfer Form.
- 10.6. No fee may be charged for registering any Transfer Form or other document relating to or affecting the title to any Shares.
- 10.7. The Company may retain any Transfer Form which is registered.
- 10.8. The transferor remains the Holder of a Share until the transferee's name is entered in the register of members as Holder of it.

11. TRANSFERS

11.1. Obligatory Transfers

- 11.1.1. Within the period commencing on the relevant Leaving Date and expiring at midnight on the first anniversary of that Leaving Date, the Shareholder Majority may direct the Company immediately to serve a notice on the relevant Leaver notifying him that he is, with immediate effect, deemed to have served on the Company one or more Transfer Notices in respect of such number and class of his Leaver's Shares as is specified by the Shareholder Majority (the "**Sale Shares**").
- 11.1.2. In the event of an Exit Transaction, the Company (or any permitted transferee) shall have the right to purchase or cause any person it nominates (the "**Exit Buyer**") to purchase all of the Non-Flame Group Shares for the Exit Purchase Value calculated in accordance with Article 75 and the following provisions shall apply:
 - 11.1.2.1. the Company shall notify all holders of the Non-Flame Group Shares at least five (5) business days prior to the proposed Exit Transaction taking place notifying them that it intends to use the provisions in this Article 11.1.2;
 - 11.1.2.2. The holders of the Non-Flame Group Shares shall be obliged to transfer their shares free of all liens and

encumbrances and with full title guarantee and shall otherwise take all necessary action to cause the consummation of the Exit Transaction;

11.1.2.3. If necessary, payment of the Exit Purchase Value shall be subject to holdback, escrow or similar arrangements in respect of an Exit Transaction, to the same extent, on a proportionate basis, as all other Affiliates of the Group are so subject, but the amount of the Exit Purchase Value shall not be discounted by any purported control premium;

11.1.2.4. the Exit Purchase Value in respect of a Qualified Public Offering may, at the sole option of the Company (or any permitted transferee, as the case may be), be satisfied in the form of the shares and/or other ownership interests in the Relevant Company that are issued and listed pursuant to such Qualified Public Offering having a value, based upon the offering price of such ownership interests in such Qualified Public Offering, equal to the Exit Purchase Value, provided no shareholder shall not be required to take a greater proportion of the Exit Purchase Value in the form of shares and/or other ownership interests in the Relevant Company than the proportion taken by the Majority Holders.

11.2. Other Permitted Transfers

11.2.1. Transfers to the Company

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

11.2.2. Transfers with Shareholder Consent

Notwithstanding any other provisions of these articles any Shareholder may transfer with Shareholder Consent serve a Transfer Notice upon the Company which once given shall be irrevocable and which Transfer Notice shall specify:

11.2.2.1. the number of Shares the Seller wishes to transfer (the "**Sale Shares**");

11.2.2.2. whether the Seller has received an offer from a third party for the Sale Shares and if so the identity of that third party and the price offered by that third party for the Sale Shares;

11.2.2.3. the price per share at which the Seller wishes to sell the Sale Shares; and

11.2.2.4. whether the Seller wishes to impose a condition that unless all the Sale Shares are sold none shall be sold (a "**Total Sale Condition**").

provided that where the Transfer Notice is served by an Employee, any Family Member or Family Trust of that Employee shall be deemed to have served a Transfer Notice on the same terms.

11.2.3. Transfers Pursuant to an Event, Exit Transaction or Article 13 or 14

Notwithstanding any other provision of these articles, any transfer of Shares made in accordance with an Event, and Exit Transaction, Article 13 or Article 14 shall be registered by the Directors (subject only to stamping).

11.2.4. Restrictions on Permitted Transfers

No transfer of Shares may be made pursuant to Article 11.2 after service of a Drag Notice or a Tag Notice until that notice has expired.

12. TRANSFER PRICE AND ALLOCATION

12.1. Save as set out in Article 12.2 or Article 75, the Sale Price for Shares shall be such price as may be agreed by the Company (with Shareholder Consent) and the Shareholder or in the absence of agreement for seven days the Fair Price determined in accordance with Article 12.3.

12.2. Except as otherwise set out in these articles, the Sale Price shall be:

12.2.1. in the case of a Good Leaver, the Fair Price;

12.2.2. in the case of a Bad Leaver, the lower of Fair Price and the Issue Price.

12.3. If the Company and the Leaver are unable to agree the Fair Price it shall be determined by an Expert and:

12.3.1. the Company shall immediately instruct the Expert to determine the Fair Price on the basis which, in the Expert's opinion, represents a fair price for the Sale Shares at the Leaving Date as between a willing seller and a willing buyer and, in making that determination, the Expert shall ignore the fact that the Sale Shares represent (if that is the case) a minority interest in the share capital of the Company and can be subject to the compulsory transfer requirements of this Article 12 and Article 13) and shall have regard to the provisions of Article 8;

12.3.2. the Expert shall certify the Fair Price as soon as possible after being instructed by the Company and in so certifying the Expert shall be deemed to be acting as expert and not as arbitrator and the Arbitration Act 1996 shall not apply;

12.3.3. the certificate of the Expert shall, in the absence of manifest error, be final and binding; and

12.3.4. the Company shall procure that any certificate required pursuant to this Article 12.3 is obtained as soon as possible and the cost of obtaining that certificate shall be borne by the Company unless:

12.3.4.1. such an arrangement would be unlawful; or

12.3.4.2. the Fair Price as determined by the Expert is the same as, or within 10% of, that price (if any) which the Company had previously notified to the Leaver as being in its opinion the fair price for the Leaver's Shares, in which case the cost shall be borne by that Leaver.

12.4. The Company shall within 30 days of the Start Date, direct the Company to offer at the Sale Price such number of the Sale Shares to such person or persons as may be specified by the Company (each an "Offeree") in the following order of priority:-

12.4.1. to a person (or persons) as the Board with Shareholder Consent shall appoint to take the Departing Shareholder's place, conditionally on that person commencing their employment or engagement with the Company;

12.4.2. to any of the other existing Employee Shareholders with Shareholder Consent ;

12.4.3. to any other person (or persons) with Shareholder Consent; and

12.4.4. subject to the Act and with Shareholder Consent, to the Company.

If an Offeree applies for any of those Sale Shares within six weeks after the Start Date, the Company shall (with Shareholder Consent) within seven days after receipt of that application, allocate to that Offeree the number of Sale Shares applied for. If all of the Sale Shares are so allocated, the provisions of Articles 12.5 to 12.8 (inclusive) shall not apply. If none or some only of the Sale Shares are so allocated, all the remaining provisions of this Article 12 shall have effect.

12.5. The Company shall (where the Sale Shares are not dealt with pursuant to the preceding provisions of this Article 12):

12.5.1. (if a direction has not been given pursuant to Article 12.4) on the day which is 31 days after the Start Date; or

12.5.2. (if direction has been given pursuant to Article 12.4) on the day immediately following the expiry of the six week period referred to in Article 12.4;

(or, if that day is not a Business Day, on the next Business Day) give notice in Writing (the "**Offer Notice**") to the Eligible Shareholders offering for sale at the Sale Price the Sale Shares (the "**Available Shares**"). The Offer Notice shall specify that those Eligible Shareholders shall have a period of 25 days from the date of the Offer Notice (the "**Acceptance Period**") within which to apply for some or all of the Available Shares.

12.6. On the expiry of the Acceptance Period the Company shall allocate the Available Shares as follows:

12.6.1. if the total number of Available Shares applied for is equal to or less than the total number of Available Shares, each Eligible Shareholder shall be allocated the number of Available Shares he applied for; or

12.6.2. if the total number of Available Shares applied for is greater than the total number of Available Shares, the Available Shares shall be allocated to the

Eligible Shareholders in proportion (as nearly as possible without involving fractions) to their existing holdings of Shares (but without allocating to any Eligible Shareholder a greater number of Available Shares than the maximum number applied for by him) and any remaining Available Shares shall be allocated by applying this Article 12.6.2 without taking account of any Eligible Shareholder whose application has already been satisfied in full.

- 12.7. If the provisions of Article 12.6.1 apply (save where the total number of Available Shares applied for is equal to the total number of Available Shares), the Company shall give notice in Writing (the "**Second Offer Notice**") to each Eligible Shareholder in respect of Available Shares that have not been allocated pursuant to the preceding provisions of this Article 12 (the "**Second Available Shares**") offering for sale at the Sale Price the Second Available Shares. The Second Offer Notice shall specify that those Eligible Shareholders shall have a period of 25 days from the date of the Second Offer Notice (the "**Second Acceptance Period**") within which to apply for some or all of the Second Available Shares.
- 12.8. On the expiry of the Second Acceptance Period the Company shall allocate the Second Available Shares as follows:
 - 12.8.1. if the total number of Second Available Shares applied for is equal to or less than the total number of Second Available Shares, each Eligible Shareholder shall be allocated the number of Second Available Shares he applied for; or
 - 12.8.2. if the total number of Second Available Shares applied for is greater than the total number of Second Available Shares, the Second Available Shares shall be allocated to the Eligible Shareholders in proportion (as nearly as possible without involving fractions) to their existing holdings of Shares of that class (but without allocating to any Eligible Shareholder a greater number of Second Available Shares than the maximum number applied for by him) and any remaining Second Available Shares shall be allocated by applying this Article 12.8.2 without taking account of any Eligible Shareholder whose application has already been satisfied in full.
- 12.9. Allocations of Sale Shares made by the Company pursuant to this Article 12 shall constitute the acceptance by any Offeree and any Eligible Shareholders to whom they are allocated (each an "**Allocated Person**") of the offer to sell those Sale Shares on the terms offered to them (provided that no person shall be obliged to take more than the maximum number of Sale Shares that he has indicated to the Company he is willing to purchase).
- 12.10. The Company shall immediately on allocating any Sale Shares, give notice in Writing (each a "**Sale Notice**") to the Leaver and to each Allocated Person of the number of Sale Shares allocated to that Allocated Person and the aggregate price payable for them. Completion shall take place within five days after the date of the Sale Notices. On Completion:
 - 12.10.1. each Allocated Person (other than the Company) shall pay the purchase price in respect of the relevant Sale Shares:
 - 12.10.1.1. to the Leaver; or

- 12.10.1.2. if the Leaver is not present at Completion, to the Company to be held on trust (without interest) for the Leaver (and the receipt of the Company for the purchase price shall be a good discharge to that Allocated Person (who shall not be bound to see to the application of it));
 - 12.10.2. if the Company is an Allocated Person, it shall:
 - 12.10.2.1. pay the purchase price for the relevant Sale Shares to the Leaver; or
 - 12.10.2.2. if the Leaver is not present at Completion, hold the purchase price for the relevant Sale Shares on trust (without interest) for the Leaver; and
 - 12.10.3. the Leaver shall transfer the relevant Sale Shares to the relevant Allocated Person and deliver the relevant share certificates.
- 12.11. If the Leaver defaults in transferring any Sale Shares to an Allocated Person pursuant to Article 12.10 or the holder of any Non-Flame Group Shares, defaults in transferring any shares pursuant to Article 11.1.2 the Company is unconditionally and irrevocably authorised to appoint any person as agent of the Leaver, or the holder of Non-Flame Group Shares (as the case may be) to execute a Transfer Form for those Sale Shares or Non-Flame Group Shares in the name, and on behalf, of the Leaver or the holder of Non-Flame Group Shares (as the case may be) (and to do such other things as are necessary to transfer the relevant Sale Shares pursuant to this Article 12) or the Non-Flame Group Shares pursuant to Article 11.1.2 and, when that Transfer Form has been duly stamped:
- 12.11.1. In the case of a Leaver where the Allocated Person is not the Company, the Company shall cause the name of that Allocated Person to become the Holder of those Sale Shares;
 - 12.11.2. In the case of a Leaver where the Allocated Person is the Company, the Company shall cause those Sale Shares to be cancelled in accordance with the Act; and
 - 12.11.3. In the case of a holder of Non-Flame Group Shares, the Company shall cause the name of the Exit Buyer to become the Holder of such Shares;
- and after that the validity of the proceedings shall not be questioned by any person.
- 12.12. Any money held on trust by the Company for the Leaver in respect of any Sale Shares shall only be released to the Leaver on production of the relevant share certificates (or an appropriate indemnity for any lost share certificates) for the Sale Shares that have been transferred to Allocated Persons.
- 12.13. If not all of the Sale Shares are sold under the provisions of Articles 12.4 to 12.12 (inclusive), the Company shall (immediately on the exhaustion of those provisions) notify the Leaver who shall not be entitled to sell or otherwise transfer any of the remaining Sale Shares.

13. DRAG ALONG

- 13.1. If the Shareholder Majority wish to transfer all their Equity Shares or (the "**Relevant Shares**") on arm's length terms and in good faith to a Third Party Purchaser they shall have the option (the "**Drag Option**") to require the other Equity Shareholders (the "**Dragged Shareholders**") to transfer all their Equity Shares (the "**Dragged Shares**") to the Third Party Purchaser with full title guarantee in accordance with this Article 13.
- 13.2. To exercise the Drag Option the Shareholder Majority shall give an irrevocable notice in Writing (the "**Drag Notice**") to the Dragged Shareholders. The Drag Notice shall specify:
 - 13.2.1. that the Dragged Shareholders are required to transfer their Dragged Shares to the Third Party Purchaser;
 - 13.2.2. the price payable by the Third Party Purchaser for all the Equity Shares (including details of any non-cash consideration (the "**Non-Cash Consideration**") receivable by any Shareholder which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for any Shares);
 - 13.2.3. the price the Dragged Shareholders will receive for each Dragged Share (the "**Drag Price**") and details of how that price has been calculated;
 - 13.2.4. the name of the Third Party Purchaser; and
 - 13.2.5. the proposed date for completion of the transfer of the Relevant Shares and the Dragged Shares (which shall be at least seven days after the date of the Drag Notice).
- 13.3. The Drag Price shall be calculated in accordance with the provisions of Article 8 in the event of any sale of shares in the Company.
- 13.4. Unless the Shareholder Majority and the Dragged Shareholders agree otherwise, the transfer of the Relevant Shares and the Dragged Shares (including payment of the consideration) shall take place on the same day.
- 13.5. The Company is unconditionally and irrevocably authorised to appoint any person as agent of each Dragged Shareholder to execute the required Transfer Forms for the Dragged Shares in the name and on behalf of that Dragged Shareholder and to do such other things as are necessary to transfer the Dragged Shares pursuant to this Article 13.
- 13.6. The provisions of this Article 13 shall prevail over any contrary provisions of these articles. Any Transfer Notice deemed served in respect of any Shares shall automatically be revoked by the service of a Drag Notice.
- 13.7. Notwithstanding the provisions of this Article 13 the provisions of Article 8 shall apply in connection with the allocation of any proceeds arising consequent upon a sale pursuant to this Article 13.

14. TAG ALONG

- 14.1. Subject to Articles 11 and 13, a Shareholder (the "**Committed Shareholder**") may not transfer any Shares (the "**Controlling Shares**") to any person (the "**Proposed Controller**") if it would result in the Proposed Controller (together with his Connected Persons and any persons Acting in Concert with him (together the "**Interested Shareholders**")) obtaining or increasing a Controlling Interest unless before that transfer is made the Proposed Controller has made a bona fide offer (the "**Tag Offer**") to the Equity Shareholders (other than the Proposed Controller, the Committed Shareholder and the Interested Shareholders) (the "**Uncommitted Shareholders**") in accordance with this Article 14 to purchase all their Equity Shares (including any Equity Shares which may be allotted to any of them pursuant to the exercise or conversion of options or rights to subscribe for or securities convertible into Shares, in existence at the date of the Tag Notice) (the "**Uncommitted Shares**").
- 14.2. The Tag Offer shall be made by notice in Writing (the "**Tag Notice**") and shall specify:
- 14.2.1. the price the Uncommitted Shareholders will receive for each Uncommitted Share (the "**Tag Price**") and details of how that price has been calculated; and
 - 14.2.2. the date by which each Uncommitted Shareholder must accept the Tag Offer (which shall be at least 21 days after the date of the Tag Notice) (the "**Close Date**").
- 14.3. Any Uncommitted Shareholder who has not accepted the Tag Offer by the Close Date shall be deemed to have rejected the Tag Offer.
- 14.4. The Tag Price shall be determined by reference to the aggregate price payable by the Proposed Controller for all the Equity Shares and calculated in accordance with the provisions of Article 8.
- 14.5. Each accepted Tag Offer shall be completed and the consideration in respect of it paid (except insofar as failure to complete is due to the fault of the relevant Uncommitted Shareholder) before any of the Controlling Shares are transferred to the Proposed Controller.
- 14.6. For the purpose of Article 14.1 the expression "**transfer**" shall include the renunciation of a renounceable letter of allotment.
- 14.7. Notwithstanding the provisions of this Article 14 the provisions of Article 8 shall apply in connection with the allocation of any proceeds arising consequent upon a sale pursuant to this Article 14.

15. COMPLIANCE

- 15.1. For the purpose of ensuring compliance with the provisions of Articles 11 to 14 (inclusive), the Directors shall immediately (if required by the Shareholder Majority) and may (with Shareholder Consent) require any Leaver or other Shareholder to procure (to the extent he is able) that:
- 15.1.1. he;

- 15.1.2. any proposed transferee of any Shares; or
- 15.1.3. such other person as is reasonably believed to have information and/or evidence relevant to that purpose;
provides to the Directors any information and/or evidence relevant to that purpose and until that information and/or evidence is provided the Directors shall refuse to register any relevant transfer of Shares (except with Shareholder Consent).
- 15.2. Each Employee Shareholder and each Shareholder unconditionally and irrevocably authorises the Company to appoint any person as his agent to give effect to the provision of these articles.

16. QUORUM FOR GENERAL MEETINGS

- 16.1. No business, other than the appointment of the Chairman of the Meeting, is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 16.2. Subject to Article 63.7, two Qualifying Persons in attendance at a general meeting are a quorum, unless:
 - 16.2.1. each is a Qualifying Person only because he is authorised under section 323 of the Act to act as the representative of a company in relation to that meeting and they are representatives of the same company;
 - 16.2.2. each is a Qualifying Person only because he is appointed as proxy of a Shareholder in relation to that meeting and they are proxies of the same Shareholder.

17. QUORUM FOR DIRECTORS' MEETINGS

- 17.1. At a Directors' meeting, unless a quorum is Participating, no proposal is to be voted on, except a proposal to call another meeting.
- 17.2. The quorum for Directors' meetings is two. In the event that a Directors' meeting is attended by a Director who is the Alternate of one or more other Directors, the Director or Directors for whom he is the Alternate shall be counted in the quorum notwithstanding their absence, and if on that basis there is a quorum the meeting may be held notwithstanding the fact (if it is the case) that only one Director is physically present.
- 17.3. If a quorum is not present at a duly convened meeting of the Directors, that meeting shall be adjourned to the same day in the next week at the same time and place (or to such other day and at such other time and place as the Directors may agree in Writing) and at such adjourned meeting the quorum shall be those Directors then present.

18. VOTING AT DIRECTORS' MEETINGS

- 18.1. Subject to Article 17 and the other provisions of these articles, each Director Participating in a Directors' meeting has one vote on each proposed resolution.

19. CHAIRMAN

- 19.1. The Shareholder Majority shall have the right, by notice in Writing to the Company, to appoint the Chairman.
- 19.2. The Directors may (with Shareholder Consent) terminate the Chairman's appointment at any time.

Part 3 – General Provisions

20. MODEL ARTICLES SHALL NOT APPLY

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

21. LIABILITY OF MEMBERS

The liability of the members is limited to the amount, if any, unpaid on the Shares held by them.

22. DIRECTORS' GENERAL AUTHORITY

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

23. SHAREHOLDERS' RESERVE POWER

- 23.1. The Shareholders may (with Shareholder Consent) by Special Resolution, direct the Directors to take, or refrain from taking, specified action.
- 23.2. No Special Resolution passed pursuant to Article 23.1 invalidates anything which the Directors have done before the passing of that resolution.

24. DIRECTORS MAY DELEGATE

- 24.1. Subject to the other provisions of these articles, the Directors may (with Shareholder Consent) delegate any of the powers which are conferred on them under these articles:

- 24.1.1. to such person or committee;
- 24.1.2. by such means (including by power of attorney);
- 24.1.3. to such an extent;
- 24.1.4. in relation to such matters or territories; and
- 24.1.5. on such terms and/or conditions;

as they think fit.

24.2. If the Directors so specify, any delegation pursuant to Article 24.1 may (with Shareholder Consent) authorise further delegation of the Directors' powers by any person to whom they are delegated.

24.3. The Directors may (with Shareholder Consent) at any time revoke any delegation made pursuant to Article 24.1 in whole or part, or alter its terms and/or conditions.

25. COMMITTEES OF DIRECTORS

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

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

26. DIRECTORS TO TAKE DECISIONS COLLECTIVELY

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

27. UNANIMOUS DECISIONS

27.1. A decision of the Directors is a unanimous decision (a "**Unanimous Decision**"):

27.1.1. if all Eligible Directors indicate to each other by any means that they share a common view on a matter; and

27.1.2. had the matter in question been proposed as a resolution at a Directors' meeting, the Eligible Directors would have formed a quorum at that meeting.

27.2. A Unanimous Decision may take the form of a resolution in Writing (where each Eligible Director has signed one or more copies of it or to which each Eligible Director has otherwise indicated agreement in Writing).

28. CALLING A DIRECTORS' MEETING

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

28.2. Notice of any Directors' meeting must indicate:

28.2.1. its proposed date and time;

28.2.2. where it is to take place; and

28.2.3. if it is anticipated that the Directors Participating in that meeting will not be in the same place, how it is proposed that they should communicate with each other during that meeting.

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

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

29. **PARTICIPATION IN DIRECTORS' MEETINGS**

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

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

29.3. Subject to Article 29.4, if a question arises at a Directors' meeting or a meeting of a committee of Directors as to the right of any Director to vote or count in the quorum at that meeting (or part of that meeting), the question may, before the conclusion of that meeting, be referred to the Chairman whose ruling in relation to any Director (other than the Chairman) is to be final and conclusive.

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

30. **NUMBER OF DIRECTORS**

The number of Directors shall not be less than two.

31. **CHAIRING OF DIRECTORS' MEETINGS**

If the Chairman is not Participating in a Directors' meeting within 10 minutes of the time at which it was to start, neither Director will chair it.

32. **CHAIRMAN'S CASTING VOTE**

If at any Directors' meeting the numbers of votes for and against a proposal are equal, the Chairman (or other Director chairing the meeting) does have a casting vote.

33. **SITUATIONAL CONFLICTS OF INTEREST**

33.1. Subject to the other provisions of these articles, the Directors may, in accordance with (but subject to) the provisions of section 175 of the Act and this Article 33 (and with Shareholder Consent), authorise any matter which would, if not authorised, result in a Director (the "**Conflicted Director**") being in breach of his duty under

section 175 of the Act to avoid a situation in which he has, or could have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company (a "**Conflict**").

- 33.2. An authorisation given under Article 33.1 (an "**Authorisation**") (and any subsequent variation or termination of that Authorisation) will only be effective if:
 - 33.2.1. any requirement as to the quorum at the Directors' meeting at which the matter is considered is met without counting the Conflicted Director (or any other interested Director); and
 - 33.2.2. the matter was agreed to without the Conflicted Director (or any other interested Director) voting or would have been agreed to if his (or any other interested Director's) vote had not been counted.
- 33.3. The Directors may (with Shareholder Consent) at any time:
 - 33.3.1. make any Authorisation subject to such terms and conditions as they think fit; and
 - 33.3.2. vary or terminate any Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Authorisation before any such variation or termination).
- 33.4. The Shareholders may (with Shareholder Consent) also authorise a Conflict by Ordinary Resolution (a "**Shareholder Authorisation**") and may (with Shareholder Consent) at any time, by Ordinary Resolution:
 - 33.4.1. make any Shareholder Authorisation subject to such terms and conditions as they think fit; and
 - 33.4.2. vary or terminate any Shareholder Authorisation (provided that this will not affect anything done by the relevant Conflicted Director or the Company in accordance with that Shareholder Authorisation before any such variation or termination).
- 33.5. If the Conflicted Director receives an Authorisation or Shareholder Authorisation in respect of a Conflict, then (unless that Authorisation or Shareholder Authorisation provides otherwise) the Conflicted Director:
 - 33.5.1. may vote at any future Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of that Conflict (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating at that meeting;
 - 33.5.2. may absent himself from the whole or any part of any Directors' meeting (or meeting of a committee of the Directors) at which anything relating to that Conflict may be discussed;
 - 33.5.3. shall not be required to disclose to the Company (or use for its benefit) any confidential information he obtains otherwise than in his capacity as a Director, as a result of that Conflict where to do so would be a breach of any duty of confidence owed by him to a third party; and

- 33.5.4. shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of that Conflict.
- 33.6. The Shareholders hereby authorise any Conflict which arises solely by virtue of any Shareholder Director being in any way connected with any of the A Ordinary Shareholders and the provisions of Article 33.5 shall apply to each Shareholder Director as if he had received a Shareholder Authorisation with no conditions attaching to it.
- 34. TRANSACTIONAL CONFLICTS OF INTEREST**
- 34.1. If a Director (the "**Transaction Director**") is in any way directly or indirectly interested in a proposed or existing transaction or arrangement with the Company (the "**Transaction**") he must declare the nature and extent of that interest to the other Directors in accordance with the provisions of the Act.
- 34.2. Subject to the provisions of the Act, Article 34.1 and the terms of any relevant Authorisation or Shareholder Authorisation, the Transaction Director:
- 34.2.1. may be a party to, or otherwise be interested in, the Transaction;
- 34.2.2. may vote at any Directors' meeting (or meeting of a committee of the Directors) on any resolution in respect of the Transaction (and if he does vote his vote shall be counted) and he shall be taken into account in determining whether a quorum is Participating in that meeting; and
- 34.2.3. shall not be liable to account to the Company for any benefit he or any of his Connected Persons derive as a result of the Transaction and the Transaction shall not be liable to be avoided on the ground of his interest.
- 35. RECORDS OF DECISIONS TO BE KEPT**
- The Directors must ensure that the Company keeps a record, in Writing, for at least 10 years from the date of the decision recorded, of every Unanimous Decision and Majority Decision.
- 36. DIRECTORS' DISCRETION TO MAKE FURTHER RULES**
- Subject to the other provisions of these articles, the Directors may (with Shareholder Consent) make any rule they think fit about how they take decisions and about how such rules are to be recorded or communicated to Directors.
- 37. METHODS OF APPOINTING DIRECTORS**
- Any person who is willing to act as a Director and is permitted by law to do so, may be appointed to be a Director:
- 37.1. by Ordinary Resolution; or
- 37.2. by a decision of the Directors.
- 38. TERMINATION OF DIRECTOR'S APPOINTMENT**
- 38.1. A person ceases to be a Director as soon as:

- 38.1.1. he ceases to be a Director by virtue of any provision of the Act or these articles (including Article 38.2) or is prohibited from being a Director by law;
 - 38.1.2. a bankruptcy order is made against him;
 - 38.1.3. a composition is made with his creditors generally in satisfaction of his debts;
 - 38.1.4. a registered medical practitioner who is treating him gives an opinion in Writing to the Company stating that he has become physically or mentally incapable of acting as a Director and may remain so for more than three months;
 - 38.1.5. notification is received by the Company from him that he is resigning from office and that resignation has taken effect in accordance with its terms;
 - 38.1.6. he is convicted of a criminal offence (except a minor motoring offence) and the Directors resolve that his office be vacated;
 - 38.1.7. in the case of a person who is also an employee of any Group Company, he ceases to be such an employee without remaining an employee of any other Group Company; or
 - 38.1.8. (except in the case of a Shareholder Director) all the other Directors unanimously resolve that his office be vacated.
- 38.2. In addition and without prejudice to the provisions of section 168 of the 2006 Act, the Company may by Ordinary Resolution remove any Director before the expiration of his period of office and may by Ordinary Resolution appoint another Director in his place.
- 39. DIRECTORS' REMUNERATION**
- 39.1. Any Director may undertake any services for the Company that the Directors decide.
- 39.2. A Director is entitled to such remuneration as the Directors shall (with Shareholder Consent) determine:
- 39.2.1. for his services to the Company as a Director; and
 - 39.2.2. for any other service which he undertakes for the Company.
- 39.3. Subject to the other provisions of these articles, a Director's remuneration may:
- 39.3.1. take any form; and
 - 39.3.2. include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that Director.
- 39.4. Unless the Directors decide otherwise, each Director's remuneration accrues from day to day.

- 39.5. Unless the Directors decide otherwise, no Director is accountable to the Company for any remuneration which he receives as a director, other officer or employee of any other Group Company or of any other company in which the Company is interested.

40. DIRECTORS' EXPENSES

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

- 40.1. Directors' meetings or meetings of committees of Directors;
- 40.2. general meetings; or
- 40.3. separate meetings of the Holders of any class of Shares or of the holders of any debentures of the Company;
- or otherwise in connection with the exercise of his powers and the discharge of his responsibilities in relation to the Company.

41. APPOINTMENT AND REMOVAL OF ALTERNATES

- 41.1. Any Director (the "**Appointor**") may appoint any person as an alternate director (an "**Alternate**") to:
- 41.1.1. exercise the Appointor's powers; and
- 41.1.2. carry out the Appointor's responsibilities;
- in the absence of the Appointor.
- 41.2. 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.
- 41.3. The notice must:
- 41.3.1. identify the proposed Alternate; and
- 41.3.2. in the case of a notice of appointment, contain a statement signed by the proposed Alternate that he is willing to act as the Alternate of the Appointor.
- 41.4. A person may act as the Alternate of more than one Director.

42. RIGHTS AND RESPONSIBILITIES OF ALTERNATES

- 42.1. An Alternate has the same rights, in relation to any Directors' meeting or Unanimous Decision, as his Appointor.
- 42.2. Except as otherwise provided by these articles, an Alternate:
- 42.2.1. is deemed for all purposes to be a Director;
- 42.2.2. is liable for his own acts and omissions;

- 42.2.3. is subject to the same restrictions as his Appointor; and
- 42.2.4. is not deemed to be an agent of or for his Appointor.
- 42.3. Subject to the other provisions of these articles, a person who is an Alternate but is not otherwise a Director:
 - 42.3.1. shall be counted in the quorum at any Directors' meeting in which he is Participating (but only if his Appointor would be counted in the quorum and is not Participating);
 - 42.3.2. may vote at any Directors' meeting in which he is Participating (but only if his Appointor would be eligible to vote and is not Participating); and
 - 42.3.3. may participate in taking any Unanimous Decision (but only if his Appointor is an Eligible Director for the purposes of that Unanimous Decision and does not himself participate in taking that Unanimous Decision).
- 42.4. A Director who is also an Alternate has an additional vote on behalf of each of his Appointors who:
 - 42.4.1. is not Participating in the relevant Directors' meeting; and
 - 42.4.2. would have been entitled to vote if that Appointor was Participating in it.
- 42.5. An Alternate is not entitled to receive any remuneration from the Company for serving as an Alternate except such part of his Appointor's remuneration as his Appointor may direct by notice in Writing made to the Company.

43. TERMINATION OF APPOINTMENT OF ALTERNATES

An Alternate's appointment as an Alternate terminates:

- 43.1. when his Appointor revokes the appointment by notice in Writing to the Company specifying when it is to terminate;
- 43.2. on the occurrence (in relation to that Alternate) of any event which, if it occurred in relation to his Appointor, would result in the termination of his Appointor's appointment as a Director;
- 43.3. on the death of his Appointor; or
- 43.4. when his Appointor's appointment as a Director terminates.

44. AUTHORITY TO ALLOT SHARES

Subject to Article 9, the Directors are generally and unconditionally authorised for the purposes of section 551 of the Act, to allot Shares not exceeding the Maximum Amount (inclusive of the Shares in issue at the Adoption Date)) at any time or times during the period of five years from the Adoption Date and the Directors may, after that period, allot any Shares under this authority in pursuance of an offer or agreement so to do made by the Company within that period. This authority may at any time (subject to section 551 of the Act) be renewed, revoked or varied by Ordinary Resolution.

45. ALL SHARES TO BE FULLY PAID UP

- 45.1. Subject to Article 45.2, no Share is to be issued for less than the aggregate of its nominal value and any premium to be Paid to the Company in consideration for its issue.
- 45.2. Article 45.1 does not apply to the Shares taken on the formation of the Company by the subscribers to the Company's memorandum.

46. POWERS TO ISSUE DIFFERENT CLASSES OF SHARES

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

- 46.1. issue Shares with such rights or restrictions as may be determined by Ordinary Resolution; and
- 46.2. issue Shares which are to be redeemed or are liable to be redeemed at the option of the Company or the Holder.

47. COMPANY NOT BOUND BY LESS THAN ABSOLUTE INTERESTS

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

48. SHARE CERTIFICATES

- 48.1. The Company must issue each Shareholder, free of charge, with one or more certificates in respect of the Shares which that Shareholder holds.
- 48.2. Every certificate must specify:
- 48.2.1. in respect of how many Shares, of what class, it is issued;
 - 48.2.2. the nominal value of those Shares;
 - 48.2.3. that the Shares are Fully Paid; and
 - 48.2.4. any distinguishing numbers assigned to them.
- 48.3. No certificate may be issued in respect of Shares of more than one class.
- 48.4. If more than one person holds a Share, only one certificate may be issued in respect of it.
- 48.5. Certificates must:
- 48.5.1. have affixed to them the Company's common seal; or
 - 48.5.2. be otherwise executed in accordance with the Act.

49. REPLACEMENT SHARE CERTIFICATES

49.1. If a certificate issued in respect of a Shareholder's Shares is:

49.1.1. damaged or defaced; or

49.1.2. said to be lost, stolen or destroyed;

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

49.2. A Shareholder exercising the right to be issued with a replacement certificate pursuant to Article 49.1:

49.2.1. may at the same time exercise the right to be issued with a single certificate or separate certificates;

49.2.2. must return the certificate which is to be replaced to the Company if it is damaged or defaced; and

49.2.3. must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

50. TRANSMISSION OF SHARES

50.1. If title to a Share passes to a Transmittée, the Company may only recognise that Transmittée as having any title to that Share.

50.2. A Transmittée who produces such evidence of entitlement to Shares as the Directors may properly require:

50.2.1. may, subject to the other provisions of these articles, choose either to become the Holder of those Shares or to have them transferred to another person; and

50.2.2. subject to Article 50.3 and the other provisions of these articles and pending any transfer of those Shares to another person, has the same rights as the Holder had.

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

51. EXERCISE OF TRANSMITTEES' RIGHTS

51.1. A Transmittée who wishes to become the Holder of any Shares to which he has become entitled must notify the Company in Writing of that wish.

51.2. If a Transmittée wishes to have a Share transferred to another person, that Transmittée must execute a Transfer Form in respect of it.

51.3. Any transfer made or executed under this Article 51 is to be treated as if it were made or executed by the person from whom the Transmittée has derived rights in

respect of the relevant Share and as if the event which gave rise to the transmission had not occurred.

52. TRANSMITTEES BOUND BY PRIOR NOTICES

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

53. PROCEDURE FOR DECLARING DIVIDENDS

53.1. The Company may by Ordinary Resolution (with Shareholder Consent) declare dividends and the Directors may (with Shareholder Consent) decide to pay interim dividends.

53.2. Subject to Article 5, a dividend must not be declared unless the Directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the Directors.

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

53.4. Unless:

53.4.1. the Shareholders' resolution to declare, or Directors' decision to pay, a dividend; or

53.4.2. the terms on which Shares are issued;

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

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

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

54. PAYMENT OF DIVIDENDS AND OTHER DISTRIBUTIONS

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

54.2. transfer to a bank or building society account specified by the relevant Distribution Recipient either in Writing or as the Directors may otherwise decide;

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

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

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

55. NO INTEREST ON DISTRIBUTIONS

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

- 55.1. the terms on which that Share was issued; or
- 55.2. the provisions of another agreement between the Holder of that Share and the Company.

56. UNCLAIMED DISTRIBUTIONS

- 56.1. All dividends or other sums which are:

56.1.1. payable in respect of Shares; and

56.1.2. unclaimed after having been declared or become payable;

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

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

- 56.3. If:

56.3.1. 12 years have passed from the date on which a dividend or other sum became due for payment; and

56.3.2. the relevant Distribution Recipient has not claimed it;

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

57. NON-CASH DISTRIBUTIONS

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

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

57.2.1. fixing the value of any assets;

57.2.2. paying cash to any Distribution Recipient on the basis of that value in order to adjust the rights of recipients; and

57.2.3. vesting any assets in trustees.

58. WAIVER OF DISTRIBUTIONS

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

- 58.1. *that Share has more than one Holder; or*
- 58.2. more than one person is entitled to that Share (whether by reason of the death or bankruptcy of one or more joint Holders or otherwise);

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

59. AUTHORITY TO CAPITALISE AND APPROPRIATION OF CAPITALISED SUMS

- 59.1. Subject to the other provisions of these articles, the Directors may, if they are so authorised by an Ordinary Resolution (and with Shareholder Consent):

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

- 59.1.2. appropriate any sum which they decide to capitalise in accordance with Article 59.1.1 (a "**Capitalised Sum**") to the persons who would have been entitled to it if it were distributed by way of dividend (the "**Persons Entitled**") and in the same proportions.

- 59.2. Capitalised Sums must be applied:

- 59.2.1. on behalf of the Persons Entitled; and

- 59.2.2. in the same proportions as a dividend would have been distributed to them.

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

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

- 59.5. Subject to the other provisions of these articles, the Directors may (with Shareholder Consent):

- 59.5.1. apply Capitalised Sums in accordance with Articles 59.3 and 59.4 partly in one way and partly in another;

- 59.5.2. make such arrangements as they think fit to deal with Shares or debentures becoming distributable in fractions under this Article 59 (including the issuing of fractional certificates or the making of cash payments); and

- 59.5.3. authorise any person to enter into an agreement with the Company on behalf of all the Persons Entitled which is binding on them in respect of the allotment of Shares and debentures to them under this Article 59.

60. ATTENDANCE AND SPEAKING AT GENERAL MEETINGS

- 60.1. A person is able to exercise the right to speak at a general meeting when he is in a position to communicate to all those attending the meeting, during the meeting, any information or opinions which he has on the business of the meeting.
- 60.2. A person is able to exercise the right to vote at a general meeting when:
 - 60.2.1. he is able to vote, during the meeting, on resolutions put to the vote at the meeting; and
 - 60.2.2. his vote can be taken into account in determining whether or not such resolutions are passed at the same time as the votes of all the other persons attending the meeting.
- 60.3. The Directors may make whatever arrangements they consider appropriate to enable those attending a general meeting to exercise their rights to speak or vote at it.
- 60.4. In determining attendance at a general meeting, it is immaterial whether any two or more persons attending it are in the same place as each other.
- 60.5. Two or more persons who are not in the same place as each other attend a general meeting if their circumstances are such that if they have (or were to have) rights to speak and vote at that meeting, they are (or would be) able to exercise them.

61. CHAIRING GENERAL MEETINGS

- 61.1. The Chairman shall chair general meetings if present and willing to do so.
- 61.2. If the Chairman is unwilling to chair the relevant general meeting or is not present within 10 minutes of the time at which the relevant general meeting was due to start the A Ordinary Shareholders present (whether in person, by proxy, or (in the case of a corporation) by a duly authorised representative) must appoint a Director or Shareholder to chair that meeting and that appointment must be the first business of that meeting.

62. ATTENDANCE AND SPEAKING BY DIRECTORS AND NON-SHAREHOLDERS AT GENERAL MEETINGS

- 62.1. Directors may attend and speak at general meetings whether or not they are Shareholders.
- 62.2. The Chairman of the Meeting may permit other persons who are not:
 - 62.2.1. Shareholders; or
 - 62.2.2. otherwise entitled to exercise the rights of Shareholders in relation to general meetings;
 - 62.2.3. to attend and speak at any general meeting.

63. ADJOURNMENT OF GENERAL MEETINGS

- 63.1. If the persons attending a general meeting within 30 minutes of the time at which the meeting was due to start do not constitute a quorum or if during a general meeting a quorum ceases to be present, the Chairman of the Meeting must adjourn it.
- 63.2. The Chairman of the Meeting may adjourn a general meeting at which a quorum is present if:
- 63.2.1. that meeting (with Shareholder Consent) consents to an adjournment; or
 - 63.2.2. it appears to him that an adjournment is necessary to protect the safety of any person attending that meeting or ensure that the business of that meeting is conducted in an orderly manner.
- 63.3. The Chairman of the Meeting must adjourn a general meeting if directed to do so by that meeting (with Shareholder Consent).
- 63.4. When adjourning a general meeting, the Chairman of the Meeting must:
- 63.4.1. either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors (with Shareholder Consent); and
 - 63.4.2. have regard to any directions as to the time and place of any adjournment which have been given by that meeting (with Shareholder Consent).
- 63.5. If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):
- 63.5.1. to the same persons to whom notice of the Company's general meetings is required to be given; and
 - 63.5.2. containing the same information which such notice is required to contain.
- 63.6. No business may be transacted at an adjourned general meeting which could not properly have been transacted at the relevant general meeting if the adjournment had not taken place.
- 63.7. If a general meeting is adjourned due to it not being quorate and if at the adjourned general meeting a quorum is not present within 30 minutes of the time at which the meeting was due to start, those Shareholders present shall constitute a quorum.

64. VOTING AT GENERAL MEETINGS: GENERAL

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

65. ERRORS AND DISPUTES

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

65.2. Any objection pursuant to Article 65.1 must be referred to the Chairman of the Meeting, whose decision is final.

66. POLL VOTES

66.1. A poll on a resolution may be demanded:

66.1.1. in advance of the general meeting where it is to be put to the vote; or

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

66.2. A poll may be demanded by:

66.2.1. the Chairman of the Meeting;

66.2.2. the Directors;

66.2.3. two or more persons having the right to vote on the relevant resolution; or

66.2.4. a person or persons representing not less than one tenth of the total voting rights of all the Shareholders having the right to vote on the relevant resolution;

66.2.5. an A Ordinary Shareholder.

66.3. A demand for a poll may be withdrawn if:

66.3.1. the poll has not yet been taken; and

66.3.2. the Chairman of the Meeting consents to the withdrawal.

66.4. Polls must be taken immediately and in such manner as the Chairman of the Meeting directs.

67. CONTENT OF PROXY NOTICES

67.1. Proxies may only validly be appointed by a notice in Writing (a "**Proxy Notice**") which:

67.1.1. states the name and address of the Shareholder appointing the proxy;

67.1.2. identifies the person appointed to be the proxy and the general meeting in relation to which he is appointed;

67.1.3. is signed by or on behalf of the Shareholder appointing the proxy, or is authenticated in such manner as the Directors may determine; and

67.1.4. is delivered to the Company in accordance with these articles and any instructions contained in the notice of the general meeting to which the Proxy Notice relates.

67.2. The Company may require Proxy Notices to be delivered in a particular form and may specify different forms for different purposes.

67.3. Proxy Notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.

67.4. Unless a Proxy Notice indicates otherwise, it must be treated as:

67.4.1. allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the relevant general meeting; and

67.4.2. appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as that general meeting itself.

68. DELIVERY OF PROXY NOTICES

68.1. Any notice of a general meeting must specify the address or addresses (the "**Proxy Notification Address**") at which the Company or its agents will receive Proxy Notices relating to that meeting, or any adjournment of it, delivered in Hard Copy Form or Electronic Form.

68.2. A Proxy Notice may be delivered to the Proxy Notification Address at any time before the general meeting, adjourned meeting or poll to which it relates.

68.3. A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it even though a valid Proxy Notice has been delivered to the Company by or on behalf of that person.

68.4. An appointment under a Proxy Notice may be revoked by delivering to the Company a notice in Writing given by or on behalf of the person by whom, or on whose behalf, the Proxy Notice was given to the Proxy Notification Address.

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

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

69. AMENDMENTS TO RESOLUTIONS

69.1. An Ordinary Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:

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

69.1.2. the proposed amendment does not, in the reasonable opinion of the Chairman of the Meeting, materially alter the scope of the resolution.

69.2. A Special Resolution to be proposed at a general meeting may be amended by Ordinary Resolution if:

- 69.2.1. the Chairman of the Meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and
 - 69.2.2. the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.
- 69.3. If the Chairman of the Meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, his error does not invalidate the vote on that resolution.

70. MEANS OF COMMUNICATION TO BE USED

70.1. Subject to the other provisions of these articles:

- 70.1.1. anything sent or supplied by or to the Company under these articles may be sent or supplied in any way in which the Act provides for documents or information which are authorised or required by any provision of the Act to be sent or supplied by or to the Company;
 - 70.1.2. and the provisions of the Act, the Company may make any documents or information authorised or required by any provision of these articles or the Act to be sent or supplied by the Company to any Shareholder available on a website; and
 - 70.1.3. any notice or document to be sent or supplied to a Director in connection with the taking of decisions by Directors may also be sent or supplied by the means by which that Director has asked to be sent or supplied with such notices or documents for the time being.
- 70.2. A Director may agree with the Company that notices or documents sent to that Director in a particular way are to be deemed to have been received within a specified time of their being sent and for the specified time to be less than 48 hours.
- 70.3. Section 1147(5) of the Act shall not apply in relation to documents and information sent or supplied by the Company.

71. COMPANY SEALS

- 71.1. Any common seal may only be used by the authority of the Directors.
- 71.2. The Directors may decide by what means and in what form any common seal is to be used.
- 71.3. Unless otherwise decided by the Directors, if the Company has a common seal and it is affixed to a document, that document must also be signed by at least one Authorised Person in the presence of a witness who attests the signature.

72. NO RIGHT TO INSPECT ACCOUNTS AND OTHER RECORDS

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

73. DIRECTORS' INDEMNITY

- 73.1. Subject to Article 73.2, a Relevant Director may (with Shareholder Consent) be indemnified out of the Company's assets against:
- 73.1.1. any liability incurred by him in connection with any negligence, default, breach of duty or breach of trust in relation to any Group Company;
 - 73.1.2. any liability incurred by him in connection with the activities of any Group Company in its capacity as a trustee of any occupational pension scheme (as defined in section 235(6) of the Act);
 - 73.1.3. any other liability incurred by him as an officer of any Group Company.
- 73.2. Article 73.1 does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law.

74. DIRECTORS' INSURANCE

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

75. EXIT TRANSACTION

- 75.1. The Company shall carry out the following calculations immediately prior to an Exit Transaction:
- 75.1.1. first, the Company shall calculate the Exit Purchase Value in accordance with the provisions of this Article 75;
 - 75.1.2. second, the Company shall notionally allocate the Exit Purchase Value to the Non Flame Group Shares; and
 - 75.1.3. third, the Company shall notionally allocate the remainder of the Capitalisation Value to the Flame Group Shares.
- 75.2. For the purposes of these Articles, the following words shall have the following meanings:
- 75.2.1. **"Capitalisation Value"** means the value of the entire issued equity share capital of the Company or of the business and assets of the Company to be sold as part of the Exit Transaction (as offered by the Exit Transaction Buyer) on a debt free basis;
 - 75.2.2. **"Company EBITDA"** means the EBITDA of the Company and its subsidiaries, after intra-group management charges (where such management charges are made in the ordinary and usual course of business), as derived from the Company's management accounts for the full 12 month period ending on the most recently ended month end of the Company falling at least 30 days prior to the relevant Exit Transaction (the **"Exit Management Accounts"**);

75.2.3. **"EBITDA"** means (in respect of any person) the consolidated earnings before interest, tax, depreciation and amortisation of such person as derived from its management accounts for the period referred to;

75.2.4. **"Equity Multiplier"** means (i) in the case of a Qualified Public Offering, the Market Capitalisation of the Relevant Company divided by the EBITDA of the Relevant Company for the full 12 month period as shown in the Exit Management Accounts or (ii) in all other cases, the Net Sale Price of the Relevant Company in such Exit Transaction divided by the EBITDA of the Relevant Company for the full 12 month period as derived from the Exit Management Accounts;

75.2.5. **"Exit Purchase Value"** means an amount equal to D, where:

$$D = (A \times B)$$

and where:

A = Company EBITDA x Equity Multiplier

B = the proportion of the issued share capital of the Company represented by Non Group Shares;

75.2.6. **"Exit Transaction"** means:

75.2.6.1. (i) an acquisition in one transaction or a series of related transactions by any person who is not a Connected Person of Flame Group (**"Exit Transaction Buyer"**), immediately after which such person, either alone or together with its Affiliates, holds more than fifty per cent (50%) of the combined voting power or economic rights of any person that Controls, directly or indirectly, the Company (or any Permitted Transferee) (and 'Permitted Transferee' for the purposes of this definition shall be any person to whom that person can transfer shares in accordance with Article 11.2) (any such person, a **"Holding Company"**), or (ii) a sale, lease or other disposition of all or substantially all of the assets of any such Holding Company to an Exit Transaction Buyer; or

75.2.6.2. any initial public offering of at least twenty per cent (20%) of the ownership interests in any Holding Company, pursuant to which such ownership interests are listed on a securities exchange (including without limitation the Alternative Investment Market of the London Stock Exchange, the Official List of the UK Listing Authority, the Hong Kong Stock Exchange, the New York Stock Exchange, NASDAQ and the Shanghai Stock Exchange) (a **"Qualified Public Offering"**);

75.2.7. **"Market Capitalisation"** means (i) (x) the final offer price per share (or other unit of the ownership interests) of the Relevant Company that are offered in a Qualified Public Offering, multiplied by (y) the total number of such Shares or other ownership interests outstanding immediately at

completion of such Qualified Public Offering less the number of such ownership interests newly issued and sold in exchange for new capital in such Qualified Public Offering, minus (ii) the aggregate value of all costs and expenses to be paid by or on behalf of the Relevant Company and its holders of Shares or other ownership interests in connection with such Qualified Public Offering;

- 75.2.8. **"Net Sale Price"** means the aggregate consideration paid in respect of the equity interests and/or assets of the Relevant Company and its subsidiaries transferred pursuant to an Exit Transaction, after the deemed repayment of the same proportion as the proportion of equity interests and/or assets being transferred of all indebtedness of the Relevant Company and its subsidiaries (including, for the avoidance of doubt, all preferred non-equity securities and loan notes issued by other Group Companies) and less the aggregate value of costs and expenses to be paid by or on behalf of the selling person(s) in respect of such Exit Transaction; and
- 75.2.9. **"Relevant Company"** means the entity that is the subject of the Qualified Public Offering or the entity whose shares are being sold in the Exit Transaction.