

THE COMPANIES ACT 2006
PRIVATE COMPANY LIMITED BY SHARES
DUNWILCO 1900 (TOPCO) LIMITED
(the "Company")

The following special resolutions were passed by the Company in writing pursuant to Chapter 2 of Part 13 of the Companies Act 2006 on *5 AUGUST* 2016

- 1 THAT, in accordance with section 551 of the CA 2006, the directors of the Company (**Directors**) be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £1,074 62 comprising 2,933,560 A ordinary shares of £0 0001 each, 986,240 B ordinary shares of £0 0001 each, 33,700 ordinary 1 shares of £0 01 each, 11,300 ordinary 2 shares of £0 01 each, 6,632 ordinary 3A shares of £0 02 each and 1,000 ordinary 3B shares of £0 10 each provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of this resolution save that the Company may, before such expiry, make an offer or agreement which would or might require shares to be allotted and the Directors may allot shares in pursuance of such offer or agreement notwithstanding that the authority conferred by this resolution has expired
- 2 THAT, subject to the passing of resolution 2 and in accordance with section 570 of the CA 2006, the Directors be generally empowered to allot equity securities (as defined in section 560 of the CA 2006) pursuant to the authority conferred by resolution 2, as if section 561(1) of the CA 2006 did not apply to any such allotment, provided that this power shall
 - a be limited to the allotment of equity securities up to an aggregate nominal amount of £1,074 62, and
 - b expire on the fifth anniversary of this resolution (unless renewed, varied or revoked by the Company prior to or on that date), save that the Company may, before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry and the Directors may allot equity securities in pursuance of any such offer or agreement notwithstanding that the power conferred by this resolution has expired
- 3 THAT, new articles of association in the form attached to this document be adopted as the articles of association of the Company in substitution for and to the exclusion of all previous articles of association

BR Evans
Director



DATE: **5 AUGUST** 2016

ARTICLES OF ASSOCIATION

of

DUNWILCO 1900 (TOPCO) LIMITED

(Company Number 10238788)

Incorporated in England and Wales on 17 June 2016

(Adopted by Written Resolution passed on **5 AUGUST** 2016)

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Company Number: 10238788
THE COMPANIES ACT 2006
COMPANY LIMITED BY SHARES
ARTICLES OF ASSOCIATION
of
DUNWILCO 1900 (TOPCO) LIMITED
REGISTERED IN ENGLAND AND WALES

Adopted by written resolution passed on *5 AUGUST 2016*

1. DEFINITIONS AND INTERPRETATION

1.1 In these Articles, unless the context otherwise requires the following words and phrases have the meanings stated

£ means pounds Sterling (being the currency of the United Kingdom)

Accounts means in respect of any Financial Year, the audited consolidated accounts of the Group for that Financial Year (comprising a consolidated balance sheet and a consolidated profit and loss account)

Acquisition Agreement means the agreement dated as at or around the Adoption Date and entered into between (1) the Sellers (as defined therein) and (2) BidCo relating to the acquisition by BidCo of the entire issued share capital of Mobility Plus Bathing Ltd, a company incorporated in England and Wales with company number 05522263

Act means the Companies Act 2006 and every statutory modification or re-enactment of it for the time being in force.

Acting in Concert has the meaning ascribed to it by the Takeover Code as in force and construed at the Adoption Date

Adoption Date means the date of adoption of these Articles

A Shares means the A ordinary shares of £0.0001 each in the capital of the Company

Auditors means the auditors for the time being of the Company

Bad Leaver has the meaning given to it in Article 8.9

BidCo means Dunwilco 1900 (BidCo) Limited, a company incorporated in England and Wales with company number 10239950

BidCo Loan Note Deed means the instrument creating the BidCo Loan Notes to be executed by BidCo on the Adoption Date

BidCo Loan Notes means the £986,240 10% fixed rate secured loan notes 2026 issued or to be issued by BidCo and constituted by the BidCo Loan Note Deed or, as the case may be, the amount of such notes for the time being outstanding

Board means the board of Directors of the Company from time to time including the Investor Directors if any such Directors shall have been appointed or the Directors present at a duly convened quorate meeting of the Board

B Shares means the B ordinary shares of £0 0001 each in the capital of the Company

Business Day(s) means a day (which for these purposes ends at 5 30pm), other than a Saturday, Sunday or public holiday, on which banks are open for commercial business in London

Chairman means the chairman of the Board appointed pursuant to Article 13

Co-Investment Scheme means, in relation to an Investor (or a member of the same group as that Investor), a scheme or arrangement under which certain officers, employees, partners, investors or other participants of that Investor (or of a member of the same group as that Investor) or of its Fund Manager are entitled or permitted (as individuals or through a body corporate or any other person, entity or other arrangement) to acquire or participate in Shares, or otherwise participate in the Company,

Company means Dunwilco 1900 (TopCo) Limited (Company Number 10238788)

Connected Persons shall have the meaning provided by section 1122 of the Corporation Tax Act 2010, and a person shall be deemed to be connected with another if that person is connected with another within the meaning of section 1122 of the Corporation Tax Act 2010

Controlling Interest in relation to a person means that person and his or its Connected Persons holding an interest in shares in a company conferring in the aggregate more than 50% of the total voting rights conferred by all the issued shares in that company

Director means any director of the Company for the time being

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

Exit means the earliest to occur of

- (a) the time and date on which a Sale is completed,
- (b) the time and date at which a Listing takes place, or
- (c) the time and date at which a Liquidation takes place

Family Trust means, in relation to a Member, a trust (whether arising under a settlement, declaration of trust, a testamentary disposition or on an intestacy)

- (a) which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of (i) that Member or any of his Privileged Relations, or (ii) any charity or charities as default beneficiaries (meaning that such charity or charities have no immediate beneficial interest in any of the settled property or the income from it when the trust is created but may become so interested if there are no other beneficiaries from time to time except such charity or charities), and
- (b) under which no power of control over the voting powers conferred by any Shares the subject of the trust is capable of being exercised by, or being subject to the consent of, any person other than the trustees or such Member or any of his Privileged Relations, and (where such trust is the proposed transferee of Shares held by a Member who is not an Investor) in respect of which an Investor Majority has confirmed in writing its satisfaction
 - (i) with the terms of the instrument constituting the relevant trust and in particular with the powers of the trustees, including the power and capacity

of the trustees on any sale of any Shares or on a Listing to (A) give warranties as to the title to and (B) agree to restrictions on the method and timing of their disposal of, the Shares held and/or being sold by such trustees,

- (ii) with the identity of the trustees and the procedures for the appointment and removal of the trustees,
- (iii) with the restrictions on changes in the terms of the trust instrument and on distributions by the trustees, and
- (iv) that none of the costs incurred in establishing or maintaining the relevant family trust will be payable by any Group Company

Financial Year means a financial year or other period in respect of which the Company prepares its accounts in accordance with the relevant provisions of the Act

Fund means any person, entity or arrangement, whose principal business or purpose is to make or hold investments which are managed by a Fund Manager

Fund Manager means a person whose principal business is to arrange, consult, make, manage or advise upon investments

Good Leaver has the meaning given to it in Article 8 9

Group means the Company, its subsidiaries and its subsidiary undertakings from time to time and Group Company means any one of them, provided that in the context of the Accounts, the Group shall include only the Company, its subsidiaries and such of the Company's subsidiary undertakings as require to be included in the consolidated accounts prepared by the Company under the provisions of the Act

Hannah Director has the meaning given to it in Article 13 5

holder, in relation to Shares, means the member whose name is entered in the register of members as the holder of such Shares

Independent Expert means an independent umpire (acting as an expert and not as an arbitrator) nominated by the parties concerned or, in the event of any disagreement as to nomination, appointed by the President from time to time of the Institute of Chartered Accountants in England and Wales

Individual Shareholders means Simon Donald Hannah and Yvonne Elizabeth Hannah, and **Individual Shareholder** means either of them

Individual Shareholder Majority means the Individual Shareholders acting together

Individual Shareholder Parties has the meaning given to it in Article 3 2 1(b)

Investment Agreement means the investment agreement dated as at the Adoption Date and entered into among the Company, BidCo, the Investors (as defined therein), the Individual Shareholders (as defined therein) and the Original Managers (as defined therein)

Investor Associate means in relation to an Investor

- (a) each member of the same group as the Investor for the time being,
- (b) any general partner, limited partner or other partner or participant in, or member, trustee or nominee of, or Fund Manager to, that Investor or any member of the same group as that Investor for the time being,

- (c) any member of the same group as any general partner, limited partner or other partner or participant in, or member, trustee or nominee of, or Fund Manager to, that Investor or any member of the same group as that Investor for the time being,
- (d) any Fund which has the same general partner, limited partner, other partner, participant, trustee, nominee or Fund Manager as that Investor or any member of the same group as that Investor for the time being,
- (e) any Fund in respect of which that Investor or any member of the same group as that Investor is a general partner, limited partner, other partner, participant, member, trustee, nominee or Fund Manager,
- (f) where the Investor is a Fund or a general partner, limited partner or other partner or participant in, or member, trustee or nominee of, or Fund Manager to a Fund, a member of the same Fund group as that Fund, and
- (g) any Co-Investment Scheme of that Investor or any member of the same group as that Investor

Investors means the persons named as such in the Investment Agreement and any other party holding A Shares and/or Ordinary 1 Shares who agrees to adhere to the terms of the Investment Agreement as an Investor from time to time and **Investor** means any one of them

Investor Consent means the consent or approval in writing of an Investor Majority

Investor Directors means the non-executive Directors of the Company appointed by an Investor Majority pursuant to Article 13 4 (each an **Investor Director**)

Investor Loan Note Deed means the instrument creating the Investor Loan Notes to be executed by BidCo on the Adoption Date

Investor Loan Notes means the £2,941,260 10% fixed rate secured loan notes 2026 issued or to be issued by BidCo and constituted by the Investor Loan Note Deed or, as the case may be, the amount of such loan notes for the time being

Investor Majority means the holders of more than 50% in aggregate of the A Shares in issue

Investor Parties has the meaning given to it in Article 3 2 1(a)

Issue Price means the aggregate of the amount paid up (or credited as paid up) and any amount credited to the share premium account on the relevant Shares in the capital of the Company

Leaver has the meaning given to it in Article 8 1

Liquidation means the solvent liquidation or winding up of the Company

Listing means either

- (a) the unconditional granting of permission for any of the equity shares of the Company to be dealt in on any Recognised Investment Exchange, or
- (b) the unconditional granting of permission for any of the equity shares of a holding company of the Company formed for the purpose of a listing to be dealt in on any such Recognised Investment Exchange

Lonsdale A Loan Note Deed means the instrument creating the Lonsdale A Loan Notes to be executed by BidCo on the Adoption Date

Lonsdale A Loan Notes means the £116,378 4 75% fixed rate secured loan notes 2021 issued or to be issued by BidCo and constituted by the Lonsdale A Loan Note Deed or, as the case may be, the amount of such loan notes for the time being

Lonsdale B Loan Note Deed means the instrument creating the Lonsdale B Loan Notes to be executed by BidCo on the Adoption Date

Lonsdale B Loan Notes means the £133,622 5 25% fixed rate secured loan notes 2021 issued or to be issued by BidCo and constituted by the Lonsdale B Loan Note Deed or, as the case may be, the amount of such loan notes for the time being

Manager Majority means the holder(s) of more than 50% in aggregate of

- (a) the Ordinary 3A Shares in issue (such holders being at the relevant time neither a Bad Leaver nor a permitted transferee (in terms of Article 7) of a Bad Leaver), and
- (b) the Ordinary 3B Shares in issue (such holder being at the relevant time neither a Bad Leaver nor a permitted transferee (in terms of Article 7) of a Bad Leaver)

Market Value in relation to any Shares means the price agreed between an Investor Majority and the relevant Leaver as the market value of the Shares concerned or failing such agreement within the time period specified in Article 8 5 the price which the Independent Expert confirms in writing to be in his opinion the market value of the Shares concerned on an arm's length sale as between a willing seller and a willing purchaser and, in determining such market value, the Independent Expert shall be instructed in particular

- (a) to have regard to the rights and restrictions attached to such Shares in respect of income and capital,
- (b) to disregard whether or not the shares represent a minority or a majority interest,
- (c) to take no account of whether the shares do or do not carry control of the Company, and

if the Company is then carrying on business as a going concern, to assume that it will continue to do so

Member means a person for the time being registered in the register of members as the holder of any Shares

member of the same Fund group means in relation to a Fund

- (a) any general partner, limited partner or other partner or participant in, or member, trustee or nominee of that Fund or the holders of any unit trust which is a participant or partner in or member of that Fund (but only in connection with the dissolution of the Fund or any distribution of assets in the Fund pursuant to the operation of the Fund in the ordinary course of business),
- (b) any other Fund which has the same general partner, limited partner, other partner, participant, member, trustee or nominee as that Fund,
- (c) any other Fund managed or advised by the same Fund Manager as that Fund (or a Fund Manager which is a member of the same group as that Fund Manager),
- (d) the Fund Manager of that Fund (or a Fund Manager of any other Fund which is a member of the same Fund group as that Fund), or

- (e) any member of the same group as the Fund or any general partner, limited partner or other partner in, or participant, member, trustee, nominee or Fund Manager of that Fund,

member of the same group means, in relation to a body corporate, any other body corporate which is for the time being a holding company of that body corporate or a subsidiary of that body corporate or a subsidiary of any holding company of which that body corporate is also a subsidiary

Ordinary 1 Shares means the ordinary shares of £0.01 each in the capital of the Company

Ordinary 2 Shares means the ordinary shares of £0.01 each in the capital of the Company

Ordinary 3A Shares means the ordinary shares of £0.02 each in the capital of the Company

Ordinary 3B Shares means the ordinary shares of £0.10 each in the capital of the Company

Paid Up Amount means the amount paid up or credited as paid up (including any premium actually paid) on a Share

Permitted Transfer means a transfer of Shares permitted by Article 7.

Privileged Relation means, in relation to any Member, any of his parents, spouse (or widow or widower), civil partner or any lineal descendant (including step and adopted children and grandchildren) and shall include siblings and spouses of any of such Privileged Relations

Proceeds means the gross consideration received or receivable by the Company and/or any of the shareholders of the Company (as the case may be) in respect of a return of capital on liquidation or capital reduction or other return or distribution of capital or assets or an Exit and shall include (i) the amount of any deferred consideration the payment of which is dependent solely on the passage of time, (ii) any consideration given otherwise than in cash (iii) any consideration (in cash or otherwise) received by the Company and/or any of the shareholders (as the case may be) of the Company which having regard to the substance of the transaction can reasonably be regarded as an addition to the price paid (excluding any redemption or payment of the principal or interest in respect of the Investor Loan Notes, the Lonsdale A Loan Notes, the Lonsdale B Loan Notes, the BidCo Loan Notes, the Vendor A Loan Notes or the Vendor B Loan Notes, but without prejudice to the definitions of 'Investment Cost' and 'Investment Return' and the terms of Article 3.2), and shall take account of any adjustment to the consideration by reference to completion accounts or any similar mechanism PROVIDED THAT (i) if the consideration is satisfied wholly or partly by an issue of shares in a company which is listed or quoted on a Recognised Investment Exchange, the value attributable to such shares shall be the average of the closing mid prices during the ten days ending on the day immediately prior to the date on which the calculation is made, and (ii) if the consideration is satisfied wholly or partly by an issue of shares in a company which is not listed or quoted on a Recognised Investment Exchange, the value attributable to such shares shall be determined by agreement between the Company, an Investor Majority, a Manager Majority and (for so long as the Individual Shareholders or their permitted transferees (in terms of Article 7.1) are the registered holders or beneficial owners of shares representing, in aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being) an Individual Shareholder Majority and PROVIDED FURTHER THAT in the event of any dispute for 10 Business Days as to the consideration received or receivable or to the value attributable to any non-cash consideration the matter shall be referred to one of PricewaterhouseCoopers, Ernst & Young, KPMG or Deloitte to act as an independent umpire (acting as an expert and not as an

arbitrator) (the **Valuer**) notified by an Investor Majority to the Board or in the event that the Valuer is unwilling or unable to act a firm of chartered accountants (not being the Company's auditors) to act as an independent umpire (acting as an expert and not as an arbitrator) appointed by the President for the time being of the Institute of Chartered Accountants in England and Wales (or any successor body thereto) at the request of an Investor Majority whose decision shall be final and binding

Qualifying Offer has the meaning given to it in Article 9

Recognised Investment Exchange has the meaning given in section 285 of the Financial Services and Markets Act 2000

Remuneration Committee has the meaning given to it in the Investment Agreement

Resignation has the meaning given to it in Article 8 9

Sale means the acceptance of an offer or the making of an agreement which upon the satisfaction of the conditions (if any) of such offer or agreement results in either

- (a) the obtaining of a Controlling Interest in the Group by, or
- (b) the sale of the whole or substantially the whole of the business and/or assets of the Group to,

a single buyer or group of buyers Acting in Concert (none of whom is an Investor or permitted transferee (in terms of Article 7) of an Investor or person in whom an Investor or any such permitted transferee of an Investor has an interest)

Senior Loan Note Deeds means the Lonsdale A Loan Note Deed, the Lonsdale B Loan Note Deed, the Vendor A Loan Note Deed and the Vendor B Loan Note Deed

Senior Third Party Lender has the meaning given to it in the Investment Agreement

Share(s) means shares in the capital of the Company of any class from time to time

Summary Dismissal has the meaning given to it in Article 8 9

Takeover Code means the Takeover Code issued by the United Kingdom's Panel on Takeovers and Mergers (as updated or amended from time to time)

Termination Date means

- (a) where employment or consultancy ceases by virtue of notice given by the employer or company to the employee or consultant, the date on which the Leaver ceases to be employed or engaged by a Group Company,
- (b) where a contract of employment or a consultancy agreement is terminated by the employee or consultant by giving notice to the employer or company, the date of that notice,
- (c) if the Leaver dies, the date of his death or certification of his death (if the date of death is unknown),
- (d) in all other circumstances, the date on which the Leaver ceases to be employed or engaged by a Group Company, and
- (e) without prejudice to paragraph (d) above, where the Leaver is a Director but not an employee or consultant of any Group Company, the date on which he ceases to be a Director

Vendor A Loan Note Deed means the instrument creating the Vendor A Loan Notes to be executed by BidCo on the Adoption Date

Vendor A Loan Notes means the £2,583,622 4 75% fixed rate secured loan notes 2021 issued or to be issued by BidCo and constituted by the Vendor A Loan Note Deed or, as the case may be, the amount of such loan notes for the time being

Vendor B Loan Note Deed means the instrument creating the Vendor B Loan Notes to be executed by BidCo on the Adoption Date

Vendor B Loan Notes means the £2,966,378 5 25% fixed rate secured loan notes 2021 issued or to be issued by BidCo and constituted by the Vendor B Loan Note Deed or, as the case may be, the amount of such loan notes for the time being

- 1 2 The Regulations contained in the model articles for private companies limited by shares contained in Schedule 1 of The Companies (Model Articles) Regulations 2008 as amended prior to the date of these Articles (**Model Articles**) shall apply to the Company save insofar as they are excluded or varied by or are inconsistent with these Articles and such Regulations (save as so excluded, varied or inconsistent) and these Articles shall be the regulations of the Company
- 1 3 Regulations 7, 8, 11(2), 11(3), 12, 13, 14(1) to 14(4) (inclusive), 15, 17(1), 18, 22(1), 22(2), 31 and 51 to 53 (inclusive) of the Model Articles shall not apply to the Company
- 1 4 In Regulation 25(2)(c) of the Model Articles, the words "evidence, indemnity and the payment of a reasonable fee" shall be deleted and replaced with the words "evidence and indemnity".
- 1 5 In Regulation 44(2)(c) of the Model Articles, the words two or more persons shall be deleted and replaced with the words "any person"
- 1 6 Regulation 44(3) of the Model Articles shall be amended by the insertion of the words "A demand so withdrawn shall not invalidate the result of a show of hands declared before the demand was made" as a new paragraph at the end of that Regulation
- 1 7 In these Articles, where the context admits
- 1 7 1 reference to a gender includes the other gender, and reference to the singular includes the plural and vice versa, and
- 1 7 2 headings are for ease of reference only and shall not affect the construction or interpretation of these Articles
- 1 7 3 words and phrases which have particular meanings in the Model Articles shall have the same meanings in these Articles unless they are already defined within these Articles or the context otherwise requires,
- 1 7 4 subject to 1 7 3 above or unless the context otherwise requires, words and phrases which have particular meanings in the Act shall have the same meanings in these Articles unless they are already defined within these Articles or the context otherwise requires but with reference to the interpretation of a "holding company" and "subsidiary", a company shall be treated, for the purposes only of the membership requirement contained in subsections 1159(1)(b) and (c) of the Act, as a member of another company even if its shares in that other company are registered in the name of (i) another person (or its nominee), whether by way of security or in connection with the taking of security, or (ii) its nominee (and unless the context otherwise requires, the application of the definition of "holding company" or "subsidiary" to any company at any time shall apply to the company as it is at that time)

- 1 8 References in these Articles to writing shall include any method of representing or reproducing words in a legible and non-transitory form

2. SHARE CAPITAL

- 2 1 The issued share capital of the Company at the Adoption Date is divided into

- (a) 2,941,260 A Shares,
- (b) 986,240 B Shares,
- (c) 33,700 Ordinary 1 Shares,
- (d) 11,300 Ordinary 2 Shares, and
- (e) 1,000 Ordinary 3B Shares

- 2 2 Subject to the provisions of the Act, any shares of any class or classes may be issued upon the terms that they are, or at the option of the Company are, liable to be redeemed

3. SHARE RIGHTS

A Shares, B Shares, Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares

The rights and restrictions attaching to the A Shares, the B Shares, the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares shall be as follows

3.1 Dividends

- 3 1 1 Subject only to Article 3 1 2, any profits of the Company which are available for distribution shall (if and to the extent distributed) be distributed to the holders of the A Shares and the B Shares pro rata according to the number of fully paid up A Shares and B Shares held by them respectively and shall accrue on a daily basis. No dividend shall be paid on any partly paid Share

- 3 1 2 Each of the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares shall entitle the holder thereof to receive 0.01% of any dividend or distribution paid on any A Share or B Share pursuant to Article 3 1 1, but otherwise the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares shall not be entitled to any dividend or income distribution, whether pursuant to these Articles or otherwise

- 3 1 3 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 -

- (a) transfer to a bank or building society account specified by the distribution recipient in writing,
- (b) sending a cheque made payable to the distribution recipient by post to the distribution recipient at the distribution recipient's registered address (if the distribution recipient is a holder of the share), or (in any other case) to an address specified by the distribution recipient in writing;
- (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified in writing; or

- (d) any other means of payment as the Directors agree with the distribution recipient in writing

3 1 4 In these Articles, "the distribution recipient" means, in respect of a Share in respect of which a dividend or other sum is payable

- (a) the holder of the Share, or
- (b) if the 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 the Share by reason of death or bankruptcy or otherwise by operation of law, the transmittee

3.2 Capital / Exit

3 2 1 On any Realisation, the Proceeds shall be distributed in the following order

- (a) first, in paying to the Investors (and to any Investor Associate or permitted transferee (in terms of Article 7) of an Investor holding A Shares (or, if relevant B Shares)) (together the **Investor Parties**), in proportion to the number of A Shares and/or B Shares held by them (pari passu as if they constituted one class of share), the Proceeds until the cumulative distributions of Investment Returns to the Investor Parties represents an IRR of 10% returned to the Investor Parties,
- (b) second, in paying to the Individual Shareholders (and to any permitted transferee (in terms of Article 7) of an Individual Shareholder holding B Shares) (together the **Individual Shareholder Parties**), in proportion to the number of B Shares held by them, the remaining Proceeds until the cumulative distributions of Investment Returns to the Individual Shareholder Parties represents an IRR of 10% returned to the Individual Shareholder Parties,
- (c) third, in paying to each holder of Ordinary 3A Shares and each holder of Ordinary 3B Shares (pari passu as if they constituted one class of share) the Paid Up Amount of each of the Ordinary 3A Shares and Ordinary 3B Shares held by him,
- (d) fourth, any remaining Proceeds shall be paid or distributed to the holders of the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares (pari passu as if they constituted one class of share) in proportion to the number of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares held by them respectively

3 2 2 In this Article 3 2, the following terms shall have the following meanings

IRR means the annualised discounted percentage return rate which, when applied to the items in the Monthly Cash Flows, produces an aggregate net present value of such items equal to zero as determined pursuant to Article 3 2 5,

Investment Cost means

- (a) in relation to the Investor Parties, the Paid Up Amount of the A Shares and the Ordinary 1 Shares allotted on or around the Adoption Date pursuant to the Investment Agreement, together with

- (i) the Paid Up Amount of any B Shares and Ordinary 2 Shares transferred to the Investors pursuant to clause 11 of the Acquisition Agreement, and
- (ii) any additional amounts invested in or advanced to the Company or any other member of the Group from time to time by Investor Parties whether by way of share capital, loan or loan capital (including, without limitation, the principal amount of
 - (aa) the Investor Loan Notes, and
 - (bb) any BidCo Loan Notes held by the Investor Parties at the relevant time as a consequence of such BidCo Loan Notes having been transferred to the Investors pursuant to clause 11 of the Acquisition Agreement and paragraph 3.3 of schedule 3 to the BidCo Loan Note Deed,

but excluding the principal amount of the Lonsdale A Loan Notes and the Lonsdale B Loan Notes and the principal amount of any BidCo Loan Notes transferred to the Investors pursuant to paragraph 3.1 of schedule 3 to the BidCo Loan Note Deed)

(and also excluding (a) all contingent, uncalled commitments to invest or uncalled guarantees and (b) (for the avoidance of doubt) any amounts paid to the EFRBS Escrow Account (as defined in the Acquisition Agreement)), less the amount of any transaction fees (or similar) paid to the Investor Parties in respect of such subscriptions or investments, and

- (b) in relation to the Individual Shareholder Parties, the Paid Up Amount of the B Shares and the Ordinary 2 Shares allotted on or around the Adoption Date pursuant to the Investment Agreement (excluding any B Shares and Ordinary 2 Shares transferred to the Investors pursuant to clause 11 of the Acquisition Agreement) together with any additional amounts invested in or advanced to the Company or any other member of the Group from time to time by the holders of B Shares whether by way of share capital, loan or loan capital (including, without limitation

- (i) the principal amount of the BidCo Loan Notes held by the Individual Shareholder Parties at the relevant time (but excluding, for the avoidance of doubt, the principal amount of any BidCo Loan Notes, transferred to the Investors pursuant to clause 11 of the Acquisition Agreement and paragraph 3.3 of schedule 3 to the BidCo Loan Note Deed), and
- (ii) the principal amount of any BidCo Loan Notes transferred to the Investors pursuant to paragraph 3.1 of schedule 3 to the BidCo Loan Note Deed, but excluding the principal amount of the Vendor A Loan Notes and the Vendor B Loan Notes)

(and also excluding (a) all contingent, uncalled commitments to invest or uncalled guarantees and (b) (for the avoidance of doubt) (i) any amounts paid to the EFRBS Escrow Account (as defined in the Acquisition Agreement) and (ii) any cash amounts paid by the Sellers (as defined in the

Acquisition Agreement) to BidCo or any other Group Company in settlement of any claims against the Sellers under the Acquisition Agreement) less the amount of any transaction fees (or similar) paid to the holders of B Shares in respect of such subscriptions or investments,

Investment Returns means

(a) in relation to the Investor Parties

- (i) the total amount of all cash received by the Investor Parties from any member of the Group or any third party in respect of any A Shares held by them,
- (ii) all cash received (following deduction of the Investor Parties' share of any transaction fees agreed with Investor Consent to be deducted from the overall proceeds of the transaction) by the Investor Parties, which shall include or be deemed to include
 - (aa) payments of interest on, and repayments of principal in respect of, the Investor Loan Notes (regardless of whether or not the Investor Loan Notes are held by the Investor Parties from time to time) or any other loans advanced to the Group by the Investor Parties or their Connected Persons or any other Investor Associate (with the exception always of the Lonsdale A Loan Notes and the Lonsdale B Loan Notes or any interest paid thereon),
 - (bb) any payments of dividends prior to a Realisation and any repayments of share capital prior to a Realisation received in respect of or attributable to the A Shares and/or the Ordinary 1 Shares (regardless of whether or not the A Shares and/or the Ordinary 1 Shares are held by the Investor Parties from time to time), and
 - (cc) payments of interest on, and repayments of principal in respect of, any BidCo Loan Notes transferred to the Investors pursuant to paragraph 3 1 of schedule 3 to the BidCo Loan Note Deed that are received by the Investor Parties,

but excluding (a) any payments of dividends prior to a Realisation and any repayments of share capital prior to a Realisation received by the Investor Parties in respect of or attributable to any B Shares and/or any Ordinary 2 Shares held by the Investor Parties and (b) payments of interest on, and repayments of principal in respect of, any BidCo Loan Notes transferred to the Investors pursuant to clause 11 of the Acquisition Agreement and paragraph 3 3 of schedule 3 to the BidCo Loan Note Deed that are received by the Investor Parties, and

(b) in relation to the Individual Shareholder Parties

- (i) the total amount of all cash received by the Individual Shareholder Parties from any member of the Group or any third party in respect of any B Shares held by them,
- (ii) all cash received (following deduction of the Individual Shareholder Parties' share of any transaction fees agreed with Investor Consent to be deducted from the overall proceeds of the transaction) by the Individual Shareholder Parties, which shall include or be deemed to include
 - (aa) payments of interest on, and repayments of principal in respect of, the BidCo Loan Notes (regardless of whether or not the BidCo Loan Notes are held by the Individual Shareholder Parties from time to time, but subject to the exclusion referred to below) (including, for the avoidance of doubt, any BidCo Loan Notes transferred to the Investors pursuant to clause 11 of the Acquisition Agreement and paragraph 3.3 of schedule 3 to the BidCo Loan Note Deed that are received by the Investor Parties), or any other loans advanced to the Group by Individual Shareholder Parties or their Connected Persons (with the exception of the Vendor A Loan Notes and the Vendor B Loan Notes or any interest paid thereon), and
 - (bb) any payments of dividends prior to a Realisation and any repayments of share capital prior to a Realisation received in respect of or attributable to the B Shares and/or Ordinary 2 Shares (regardless of whether or not the B Shares and/or Ordinary 2 Shares are held by the Individual Shareholder Parties from time to time),

but excluding (a) payments of interest on, and repayments of principal in respect of, any BidCo Loan Notes transferred to the Investors pursuant to paragraph 3.1 of schedule 3 to the BidCo Loan Note Deed that are received by the Investor Parties, and (b) (for the avoidance of doubt) any cash sums paid to the Sellers (as defined in the Acquisition Agreement) pursuant to the Acquisition Agreement before, on or after the Adoption Date,

Realisation means a return of capital on Liquidation or capital reduction or other return or distribution of capital or assets or an Exit, and

Realisation Date means the date of completion of a Realisation

Calculation of IRR

3.2.3 In respect of each full or partial month from the Adoption Date to the Realisation Date inclusive there shall be ascertained in respect of each of the Investor Parties and the Individual Shareholder Parties

- (a) the total amount in cash of the Investment Cost that month (**Monthly Investment Costs**), and

(b) the aggregate, that month, of the Investment Returns (**Monthly Investment Returns**),

and the amount of Monthly Investment Returns less the amount of the Monthly Investment Costs shall be the "**Monthly Cash Flow**"

3 2 4 For the purpose of calculating the cash flow arising on or after the Realisation Date, the Investment Returns of

(a) the Investor Parties shall

- (i) include the total amount of the Proceeds actually paid to the Investor Parties in respect of the A Shares or which are otherwise attributable to the A Shares on the Realisation Date,
- (ii) (subject to (iii) below) include the amount actually paid on or after the Realisation Date to the Investor Parties in repayment of, or as consideration for, any Investor Loan Notes, Lonsdale A Loan Notes, Lonsdale B Loan Notes and any other loans advanced to the Group by the Investor Parties or their Connected Persons or any other Investor Associate, together with any actual payment of, or, in relation to any accrued interest and other costs payable to the Investor Parties, on repayment or acquisition of, the Investor Loan Notes, the Lonsdale A Loan Notes, the Lonsdale B Loan Notes or such other loans, and
- (iii) include or exclude (as appropriate) the amounts referred to in the definition of Investment Returns in relation to the Investor Parties set out in Article 3 2 2,

(b) the Individual Shareholder Parties shall

- (i) include the total amount of the Proceeds actually paid to the Individual Shareholder Parties in respect of the B Shares or which are otherwise attributable to the B Shares on the Realisation Date, and
- (ii) (subject to (iii) below) include the amount actually paid on or after the Realisation Date to the Individual Shareholder Parties in repayment of, or as consideration for, any BidCo Loan Notes, Vendor A Loan Notes, Vendor B Loan Notes and any other loans advanced to the Group by the Individual Shareholder Parties or their Connected Persons, together with any actual payment of, or, in relation to any accrued interest and other costs payable to the Individual Shareholder Parties, on repayment or acquisition of, the BidCo Loan Notes, the Vendor A Loan Notes, the Vendor B Loan Notes or such other loans, and
- (iii) include or exclude (as appropriate) the amounts referred to in the definition of Investment Returns in relation to the Individual Shareholder Parties set out in Article 3 2 2

For the avoidance of doubt Proceeds and any other amounts paid or to be paid in respect of the A Shares, the Investor Loan Notes, the Lonsdale A Loan Notes, the

Lonsdale B Loan Notes, the B Shares, the BidCo Loan Notes, the Vendor A Loan Notes, the Vendor B Loan Notes and/or any other payment to which this Article 3 2 4 relates shall only be included within Investment Returns and used to calculate the IRR Return if and when such proceeds and other payments are actually paid to the Investor Parties or to the Individual Shareholder Parties (as applicable)

- 3 2 5 The IRR Return is "r" (expressed as a percentage) where "r" is the percentage such that the sum of the amounts calculated in accordance with the following formula and ascertained pursuant to this Article 3 2 for each full or partial month from the Adoption Date to the Realisation Date, inclusive, is zero

$$\frac{\text{Cash flow for that month}}{(1 + r)^n}$$

WHERE

$$n = \frac{t - 1}{12}$$

AND

"t" is

- (a) 2 in respect of dates between the Adoption Date and the final day of the month following the month in which the Adoption Date occurs (such period being the **Initial Period**), and
- (b) 2 plus the number of subsequent months completed or commenced after the Initial Period in respect of dates falling after the Initial Period

3.3 Voting

- 3 3 1 The holders of the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares shall be entitled to receive notice of, to attend and to speak and to vote at all general meetings of the Company and to vote on all written resolutions of the Company
- 3 3 2 The A Share and the B Shares shall not confer on the holders thereof any right to vote and the holder of the A Shares and the B Shares shall not be entitled to receive notice of general meetings of the Company
- 3 3 3 Subject to Articles 3 3 4 and 3 4, the holders of each of the Ordinary 1 Shares, the Ordinary 2 Shares, the Ordinary 3A Shares and the Ordinary 3B Shares who (being individuals) are present in person or by proxy or (being a corporation) are present by duly authorised representatives or by proxy shall
- (a) on a show of hands, have one vote each, and,
 - (b) on a poll or a written resolution, have one vote each for every Ordinary 1 Share, Ordinary 2 Share or Ordinary 3A Share held, and
 - (c) on a poll or a written resolution, have three votes each for every Ordinary 3B Share held

3 3 4 Subject to Article 3 4, for so long as they or their permitted transferees (in terms of Article 7) hold Ordinary 1 Shares, the Investors who are present in person or by proxy shall

(a) on a show of hands, have one vote each, and

(b) on a poll

(i) on a resolution for the removal of an Investor Director or any Director appointed pursuant to either Article 13 1 or Article 13 3, have in aggregate twice the number of votes carried by all the other Shares, apportioned pro rata (as nearly as practicable) among the Ordinary 1 Shares held by the Investors, and

(ii) on any other resolution, have one vote each for every Ordinary 1 Share held

3 3 5 Subject to Article 3 4, for so long as they or their permitted transferees (in terms of Article 7 1) are the registered holders or beneficial owners of shares representing, in aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being, the Individual Shareholders who are present in person or by proxy shall

(a) on a show of hands, have one vote each, and

(b) on a poll

(i) on a resolution for the removal of a Hannah Director have in aggregate twice the number of votes carried by all the other Shares, apportioned pro rata (as nearly as practicable) among the Ordinary 2 Shares held by the Individual Shareholders, and

(ii) on any other resolution, have one vote for every Ordinary 2 Share held

3.4 Enhanced voting rights

In the event that

3 4 1 an event of default or potential event of default has occurred under the Senior Loan Note Deeds or any facility agreement entered into by a Group Company with a Senior Third Party Lender or any debenture of the Company or any other Group Company, which breach (if capable of remedy) has not been remedied within seven days of notice to the Company from an Investor Majority requiring it to be remedied,

3 4 2 (in the opinion of an Investor Majority acting reasonably) either (i) the working capital of the Group is prejudiced to such an extent that either (a) the Group is likely to require additional funding so as to preserve a reasonable and prudent working capital position or (b) there is a probability that the Group will commit a breach of any cash-related covenant arising pursuant to any facility agreement entered into by a Group Company with a Senior Third Party Lender, or (ii) there is a probability that the Group will commit a breach of any of the other financial covenants in the Senior Loan Note Deeds or any facility agreement entered into by a Group Company with a Senior Third Party Lender,

3 4 3 a material breach has occurred of the Investment Agreement or these Articles other than by a holder of Ordinary 1 Shares, which breach (if capable of remedy) has not been remedied within seven days of notice to the Company from an Investor Majority requiring it to be remedied, or

3 4 4 the annual audited consolidated accounts of the Company, as delivered to the Investors in accordance with clause 6 4 of the Investment Agreement, contain a qualified or adverse opinion of any nature from the auditors or the auditors express reservations or doubts in such accounts as to the ability of the Company (or any Group Company) to continue as a going concern,

then, each holder of Ordinary 1 Shares shall (after becoming aware of the circumstances giving rise to the rights set out in this Article 3 4 and an Investor Majority having served notice upon the Company that additional votes are to be exercised) be entitled, in that capacity, to exercise on a poll vote at a general meeting, or on a vote on a written resolution such number of votes for every Ordinary 1 Share of which it is the holder as shall confer upon the Ordinary 1 Shares 95% of the total voting rights of all Shares in issue at the relevant time

4. VARIATION OF RIGHTS

4 1 Whenever the capital of the Company is divided into different classes of Shares the special rights attached to any class may be varied or abrogated either whilst the Company is a going concern or during or in contemplation of a winding-up, only with the consent in writing of the holders of more than 50% of the issued Shares of that class, or with the sanction of a special resolution passed at a separate general meeting of the holders of that class of Share, but not otherwise

4 2 Without prejudice to the provisions of Article 4 1, but subject to Article 4 5, the special rights attached to the A Shares and the Ordinary 1 Shares shall be deemed to be varied by any of the following

4 2 1 any alteration of the articles of association of any Group Company,

4 2 2 an increase, reduction or other alteration (including any sub-division or consolidation or redenomination of shares or any allotment of any share, whether conditional or otherwise) in the share capital of any Group Company or the creation of any new class of shares or a variation in the rights attaching to any class of such shares (but excluding any increase, reduction or alteration arising out of a conversion or redemption or issue of shares in accordance with these Articles);

4 2 3 the grant of an option or other right to subscribe for Shares or shares in any other Group Company or the issue of any securities or instruments convertible into Shares or shares in any such company;

4 2 4 the creation by any Group Company of any mortgage, charge, pledge, lien, encumbrance or other security interest (excluding an interest arising by operation of law in the ordinary course of business or any security interest granted by any Group Company in connection with the entry by any Group Company into the Senior Loan Note Deeds),

4 2 5 the making of any material change (including cessation) in the nature of the business of the Group taken as a whole,

- 4 2 6 the institution of any proceedings for, or the passing of any resolution for, the winding up or administration of any Group Company,
- 4 2 7 the disposal of the undertaking of any Group Company (other than the Company) or any substantial part of any Group Company or the disposal of any shares or loan stock in the capital of any Group Company (other than the Company),
- 4 2 8 any alteration of, or any disapplication of the provisions contained in, Article 5 (other than Article 5 7 4), and
- 4.2 9 any Group Company incurring an obligation to do any of the above
- 4.3 Without prejudice to the provisions of Article 4 1, but subject to Article 4 5, the special rights attached to the B Shares and the Ordinary 2 Shares shall be deemed to be varied by either of the following
 - 4 3 1 any alteration of these Articles to the extent that such alteration amends the rights attaching to or enjoyed by the B Shares or the Ordinary 2 Shares (including without limitation the economic or voting rights attaching to or enjoyed by the B Shares and the Ordinary 2 Shares) PROVIDED THAT any proposed issue of Shares in accordance with Article 5, and any alteration of these Articles to provide for the rights attaching to such issued Shares, even to the extent that such Shares have economic rights that rank such Shares ahead of the B Shares or the Ordinary 2 Shares, shall not be deemed to be a variation of the rights attaching to the B Shares or the Ordinary 2 Shares, and
 - 4 3 2 any alteration of, or any disapplication of the provisions contained in, Article 5 (other than Article 5 7 4)
- 4 4 Without prejudice to the provisions of Article 4 1, but subject to Article 4 5, the special rights attached to the Ordinary 3A Shares and the Ordinary 3B Shares shall be deemed to be varied by either of the following
 - 4 4 1 any alteration of these Articles to the extent that such alteration amends the rights attaching to or enjoyed by the Ordinary 3A Shares or the Ordinary 3B Shares (including without limitation the economic or voting rights attaching to or enjoyed by the Ordinary 3A Shares and the Ordinary 3B Shares) PROVIDED THAT any proposed issue of Shares in accordance with Article 5, and any alteration of these Articles to provide for the rights attaching to such issued Shares, even to the extent that such Shares have economic rights that rank such Shares ahead of the Ordinary 3A Shares or the Ordinary 3B Shares, shall not be deemed to be a variation of the rights attaching to the Ordinary 3A Shares or the Ordinary 3B Shares, and
 - 4 4 2 any alteration of, or any disapplication of the provisions contained in, Article 5 (other than Article 5 7 4)
- 4 5 Notwithstanding any other provision of these Articles, the following shall not constitute a variation of the special rights or class rights of any class of Shares
 - 4 5 1 the allotment of Ordinary 3A Shares pursuant to clauses 3 4 and 16 1 of the Investment Agreement,
 - 4.5 2 any allotment of, or grant of options over, Ordinary 3A Shares pursuant to clause 7 1 of the Investment Agreement;

- 4 5 3 any allotment or transfer of Ordinary 3A Shares pursuant to clause 7 3 of the Investment Agreement, or
- 4 5 4 any action taken for so long as the enhanced voting rights under Article 3 4 are in effect

5. FURTHER ISSUES OF SHARES

- 5 1 Save to the extent authorised by these Articles, or authorised from time to time by an ordinary resolution of the shareholders, the Directors shall not exercise any power to allot shares or to grant rights to subscribe for, or to convert any security into, any shares in the Company
- 5 2 In accordance with Section 567(1) of the Act, Sections 561 and 562 of the Act shall not apply to an allotment of equity securities (as defined in Section 560(1) of the Act) made by the Company
- 5 3 Save as otherwise required by law or provided in these Articles, the Company shall not be compelled to recognise any equitable, contingent, future or partial interest in any Share or any fraction of a Share, except the absolute right of the registered holder to the entirety of such interest
- 5 4 Subject as provided below, all Shares shall, before they are issued, be offered for subscription to all the holders of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares in proportion (as nearly as may be) to the nominal amount of their existing holdings of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares at that time and the following provisions shall apply
 - 5 4 1 the offer shall be made by notice specifying the total number and class of Shares offered and the price per Share and limiting a time (not being less than (i) if the offer of Shares is being made by the Company in accordance with the provisions of any facility agreement entered into by a Group Company with a Senior Third Party Lender, the number of days' notice so provided in that facility agreement or (ii) 15 Business Days in any other circumstances, or greater than 20 Business Days) within which the offer, if not accepted, will be deemed to be declined,
 - 5 4 2 after the expiration of the relevant offer period prescribed by Article 5 4 1, or if earlier on the receipt of a confirmation from all the person(s) to whom the offer is made that he/they decline(s) to accept the Shares offered or any of them, the Directors shall offer (the **Second New Share Offer**) the declined Shares (the **Declined Shares**) in the manner set out in Article 5 4 1 (save that the minimum period for acceptance shall be 5 Business Days) and at the same price to the other holders of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares who have agreed to subscribe for all the Shares initially offered to them inviting such holders to apply for such number of the Declined Shares as they may specify in their application,
 - 5 4 3 after the expiry of the relevant offer period prescribed by Article 5 4 2, the Board will within 5 Business Days allocate the Declined Shares as follows
 - (a) if the total number of Declined Shares applied for is equal to or less than the available number of Declined Shares, each offeree will be allocated the number applied for in accordance with his application, or
 - (b) if the total number of Declined Shares applied for is greater than the available number of Declined Shares, applications will be satisfied pro rata

by reference to the proportion that the number of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares held by each such applicant for Declined Shares bears to the total number of Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares held by all such applicants,

- 5 4 4 allocations of Declined Shares made by the Company pursuant to Article 5 4 3 will constitute the acceptance by the persons to whom they are allocated of the offer to purchase those Declined Shares on the terms offered to them, provided that no person will be obliged to take more than the maximum number of Declined Shares which he has indicated to the Company he is willing to purchase
- 5 5 Any of the Shares not taken up at the end of the procedure set out in Article 5 4, may be offered by the Board to a third party (to be approved in advance by an Investor Majority) and, subject to such approval, these Articles and the provisions of section 551 of the Act, such Shares shall be at the disposal of the Board, who may allot, grant options over or otherwise dispose of them to such persons at such times and generally on such terms and conditions as they think proper, provided that
- 5 5.1 no Shares shall be issued at a discount,
- 5 5 2 no Shares to which Article 5 4 applies shall be issued more than two months after the expiry of the period for acceptance of the Second New Share Offer unless the procedure set out in Article 5 4 is first repeated in respect of such Shares, and
- 5 5 3 unless such proposed issue has been approved by an Investor Majority, a Manager Majority and (for so long as the Individual Shareholders or their permitted transferees (in terms of Article 7 1) are the registered holders or beneficial owners of shares representing, in aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being) an Individual Shareholder Majority, no Shares shall be issued at a price less than that at which they were offered to the Members of the Company in accordance with Article 5.4, and so that, if the Directors are proposing to issue such Shares wholly or partly for non-cash consideration, the cash value of such non-cash consideration for the purposes of determining price pursuant to this sub-paragraph shall be as reasonably determined by the Auditors, whose determination shall be final and binding on the Company and each of its Members
- 5 6 The provisions of this Article 5 shall apply mutatis mutandis to all equity securities (as defined in section 560(1) of the Act) of the Company from time to time created
- 5 7 Notwithstanding any other provision of these Articles, any allotment or issue of Shares
- 5 7 1 pursuant to clauses 3 4 and 16 1 of the Investment Agreement,
- 5 7 2 pursuant to clause 7 1 of the Investment Agreement (or on the exercise of share options granted pursuant to clause 7 1 of the Investment Agreement), or
- 5 7 3 to any employee of any Group Company which is recommended by the Remuneration Committee with Investor Consent and with the consent of a Manager Majority; or
- 5 7 4 with the prior written consent of an Investor Majority, a Manager Majority and (for so long as the Individual Shareholders or their permitted transferees (in terms of Article 7.1) are the registered holders or beneficial owners of shares representing, in

aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being) an Individual Shareholder Majority,

shall not be subject to this Article 5

- 5 8 For the avoidance of doubt, but without prejudice to Article 4, the holders of A Shares and the holders of B Shares shall have no pre-emption rights in respect of any issues of Shares under this Article 5

6. TRANSFER OF SHARES

6.1 General

6 1 1 For the purposes of these Articles the expression 'transfer' in relation to Shares shall be deemed (without limitation) to include

- (a) any disposition of the legal, beneficial or equitable interest in a Share,
- (b) the grant of any security interest over any Share, and
- (c) any direction (whether by way of renunciation or otherwise) by a person entitled to an allotment or transfer of Shares that any Share be allotted or issued or transferred to some other person

6 1 2 Without prejudice to the provisions of Regulation 26 of the Model Articles (as modified hereby) but notwithstanding any other provision of these Articles, the Directors shall not register any transfer of Shares except pursuant to a transfer permitted by or made in accordance with these Articles

6.2 No re-designation of Shares on transfer

Notwithstanding any other provision of these Articles any Share transferred to another member holding a different class of Shares shall not be re-designated upon transfer to become the same class of Share as is already held by the transferee

7. PERMITTED TRANSFERS

7.1 Transfers to Privileged Relations and Family Trusts

7 1 1 Subject to the terms of this Article 7 1, any Shares may be transferred by a Member who is an individual to a person shown to the reasonable satisfaction of the Board to be that Member's Privileged Relation or to the trustee or trustees of a Family Trust

7 1 2 Where Shares are held by trustees under a Family Trust

- (a) those Shares may, on any change of trustees, be transferred to the new trustee(s) of that Family Trust,
- (b) those Shares may be transferred at any time to the settlor of that trust or any Privileged Relation to whom that settlor could have transferred them under this Article 7 if he had been the holder of them, and
- (c) if any of those Shares cease to be held under a Family Trust other than in the circumstances set out in Article 7 1 2(b) above, or there cease to be any beneficiaries of the Family Trust other than a charity or charities, the trustees shall transfer all the Shares then held back to the settlor of that trust or to any other permitted transferee (in terms of this Article 7) of that settlor as he may stipulate.

- 7 1 3 If any person has acquired Shares in the capacity of a Privileged Relation from a Member by way of one or more permitted transfers and that person ceases to be a Privileged Relation of that Member, that person shall transfer all the Shares then held by that person back to that Member, or to such other permitted transferee (in terms of this Article 7) of that Member as he may stipulate, for such consideration as they agree, within 20 Business Days of the cessation
- 7 1 4 If the person referred to in Article 7 1 3 above or the trustees referred to in Article 7 1 2 fail to transfer shares in accordance with the provisions of Article 7 1 3 or Article 7 1.2 (as appropriate) within the period specified in such Article, such transfer shall be deemed to have been given at the expiry of the said period, and the Board may and shall if directed by an Investor Majority authorise and instruct any Director to execute, complete, deliver and register the necessary transfers and once registered the validity of such transfer shall not be questioned

7.2 Transfers with Investor Consent

Notwithstanding Regulation 26(5) of the Model Articles or any other provisions of these Articles a transfer of any B Shares, any Ordinary 2 Shares, any Ordinary 3A Shares or any Ordinary 3B Shares approved in writing by an Investor Majority may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors

7.3 Transfers with unanimous agreement of all shareholders and the Company

Notwithstanding Regulation 26(5) of the Model Articles or any other provisions of these Articles a transfer of any Shares approved in writing by all of the shareholders from time to time and the Company may be made without restriction as to price or otherwise and any such transfer shall be registered by the Directors

7.4 Transfers by Investors

7.4 1 An Investor may transfer any Shares to

- (a) an Investor Associate (or its trustee or nominee),
- (b) where the Investor holds the Shares as a trustee or nominee, the beneficial owner of such Shares, another trustee or nominee of such beneficial owner and/or any other person(s) to whom the beneficial owner could have transferred any Shares under this Article 7.4 if it had been an Investor,
- (c) where the Investor holds the Shares as a result of permitted transfer(s) under this Article 7.4, the transferor(s) of such Shares and/or any other person(s) to whom the transferor(s) could have transferred any Shares under this Article 7.4 if they had remained Investors,
- (d) any person, entity or arrangement which is entitled or permitted to hold or participate in Shares under a Co-Investment Scheme of that Investor or any member of the same group as that Investor (or its trustee or nominee),
- (e) any other Investor (or its trustee or nominee), with Investor Consent

7 4 2 Where Shares are held by one or more trustees or nominees of their beneficial owner and any such person ceases to be a nominee or trustee of the beneficial owner of the Shares such person will, on or before such cessation, transfer such Shares to the person who originally transferred them to such person

7 4 3 Where

- (a) Shares are held by Investor Associate(s) of an Investor following a transfer or series of transfer(s) (directly or indirectly) from that Investor and any such person(s) cease to be Investor Associate(s) of or in respect to the Investor who originally transferred such Shares;
- (b) such transfers would not be permitted pursuant to Article 7 4 1 if, for the purposes of this Article 7 4 3, it is assumed that such transfer(s) to such Investor Associate(s) are made after the Associate Cessation Date (defined below), and
- (c) such transfer(s) would result in a transfer of a Controlling Interest, then such person(s) will on or before the cessation (**Associate Cessation Date**) transfer such Shares that would result in the test in Article 7 4 3(c) ceasing to be satisfied to the person who originally transferred them to such person and/or to any such original transferors current (at the time that a transfer pursuant to this Article 7 4 3 is made) Investor Associate(s)

7 4 4 If a Member fails or refuses to execute and deliver any transfer in respect of any Shares pursuant to its obligations under Article 7 4 2 or Article 7 4 3, the Board may authorise any Director to execute and deliver the necessary transfer(s) as agent on the defaulting Member's behalf. The Board will authorise registration of the transfer, and of the transferee as the holder of the Shares so transferred, once appropriate stamp duty (if any) has been paid. After registration, the title of the transferee as registered holder of such Shares will not be affected by any irregularity in or invalidity of such proceedings

7.5 Transfers of Shares pursuant to the Acquisition Agreement, Investment Agreement or Articles 8, 9 or 10 of these Articles

Notwithstanding Regulation 26(5) of the Model Articles or any other provisions of these Articles a transfer of any Shares pursuant to clause 11 of the Acquisition Agreement, clause 7.3 of the Investment Agreement or any of Articles 8, 9 or 10 may be made

8. MANDATORY TRANSFERS

8 1 This Article 8 applies to a person who holds (or whose permitted transferee(s) (in terms of Article 7) hold(s) Ordinary 3A Shares or Ordinary 3B Shares and who is an employee and/or a consultant and/or a director of any Group Company (other than an Investor Director or a Director appointed pursuant to Article 13 1 or Article 13 3, to whom this Article 8 shall not apply) and who ceases for any reason to be an employee or a consultant or a director of that Group Company and does not either continue to be or become an employee or consultant or director of any Group Company (a **Leaver**)

8 2 At any time within 12 months following the Termination Date, an Investor Majority may direct the Company to (and the Company shall immediately) serve notice (the **Sale Notice**) on a Leaver (or his personal representatives in the event of his death), and/or any person to whom he has transferred shares pursuant to Article 7.1 (each a **Compulsory Seller** and together the **Compulsory Sellers**) requiring such Compulsory Seller to offer the Ordinary 3A Shares and/or Ordinary 3B Shares of which such Compulsory Seller is the registered holder or to which he is

entitled whether as a result of his holding of Ordinary 3A Shares or Ordinary 3B Shares or otherwise (the **Sale Shares**)

8.2.1 firstly, to such other person or persons as are identified by the Board with the approval of an Investor Majority to take the Leaver's place (or to such other person or persons (which persons may include (i) an individual or (ii) an employee share ownership trust or similar vehicle) as are identified by the Board with the approval of an Investor Majority to hold the Sale Shares in trust for the Leaver's eventual successor and/or such other person or persons as may be identified by an Investor Majority from time to time),

8.2.2 secondly, to the holders of the Ordinary 3A Shares and the Ordinary 3B Shares on a pro rata basis to their existing holdings of Ordinary 3A Shares and Ordinary 3B Shares, and

8.2.3 finally, to the holders of the Ordinary 1 Share and the Ordinary 2 Shares on a pro rata basis to their existing holdings of Ordinary 1 Shares and Ordinary 2 Shares

(each an **Offeree**) The Sale Notice may reserve to the Investor Majority the right to finalise the identity of the Offeree in respect of an offer pursuant to Article 8.2.1 only once the price for the Sale Shares has been agreed or certified. For the avoidance of doubt, an Offeree identified by the Board with the approval of an Investor Majority in respect of Article 8.2.1 and any Offeree(s) to whom Sale Shares are offered pursuant to Article 8.2.2 must offer to acquire all (or his/its relevant proportionate share (as applicable)) of the Sale Shares together

8.3 The Sale Shares shall be transferred by the Compulsory Seller(s) to the Offeree identified by the Board with the approval of an Investor Majority in respect of Article 8.2.1 or to the Offeree(s) who agree(s) to acquire Sale Shares (in respect of Article 8.2.2) free from all liens, charges and other encumbrances and together with all rights attaching to the Sale Shares on the terms set out in Articles 8.4 to 8.12 (both inclusive)

8.4 The price for each Sale Share (the **Sale Price**) shall be such price as is agreed in writing between the Leaver and an Investor Majority, or, in the absence of such agreement within 10 Business Days

8.4.1 if the Leaver is a Bad Leaver, the Sale Price for each Sale Share shall be the lower of (i) the Issue Price of a Sale Share (or where any such Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer) and (ii) the Market Value of each Sale Share on the Termination Date, or

8.4.2 if the Leaver is a Very Good Leaver the Sale Price for each Sale Share shall be the higher of (i) the Issue Price of a Sale Share (or where any such Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the higher of the Issuer Price and the amount paid by such Compulsory Seller on a transfer) and (ii) the Market Value of each Sale Share on the Termination Date, or

8.4.3 if the Leaver is a Good Leaver the Sale Price for each Sale Share shall be

(a) in respect of the proportion of the Sale Shares set out in column (2) of the table below, the Market Value of each such Sale Share on the Termination Date, and

- (b) in respect of the proportion of the Sale Shares set out in column (3) of the table below, either (i) the lower of (A) Market Value on the Termination Date and (B) the Issue Price of each such Sale Share (or where any Sale Shares were originally acquired by the Compulsory Seller by way of transfer rather than allotment, the lower of the Issue Price and the amount paid by such Compulsory Seller on a transfer), or (ii) if an Investor Majority (at its discretion) so determines, the lower of the Issue Price of each such Sale Share and the amount paid by such Compulsory Seller on a transfer of such Sale Share

(1) Period between the date of issue/acquisition of the Sale Shares and the Termination Date	(2) % of relevant Sale Shares at Market Value	(3) % of relevant Sale Shares at lower of Market Value and Issue Price/transfer price
Less than or equal to one year	0	100
More than one year but less than or equal to two years	25	75
More than two years but less than or equal to three years	50	50
More than three years but less than or equal to four years	75	25
More than four years	100	0

- 8 5 If the Leaver and the Investor Majority are unable to agree the Market Value of the relevant Sale Shares within 10 Business Days of the date of the Sale Notice, the Market Value shall be the price certified by an Independent Expert, acting as expert and not as arbitrator, to be the Market Value of the relevant Sale Shares on the Termination Date
- 8 6 The Independent Expert shall be instructed by an Investor Majority to certify the Market Value and its decision shall be final and binding on the parties (save in the case of fraud or manifest error) The costs of the Independent Expert shall be borne by the Company unless the aggregate Market Value of the relevant Sale Shares as determined by the Independent Expert is not more than 110% of the price (if any) which the Investor Majority had previously notified to the Leaver as being in its opinion the aggregate Market Value of such Sale Shares, in which event the cost shall be borne by the Leaver
- 8 7 Within such period between 5 and 20 Business Days (as determined by the Investor Majority) of the Sale Price being agreed or certified
- 8 7 1 the Company shall notify each Compulsory Seller of the name and address of the Offeree(s) and the number of Sale Shares to be offered to such person, and
- 8 7 2 the Company shall serve notice on each Offeree specifying
- (a) the number of Sale Shares on offer to him,
- (b) the Sale Price, and

- (c) the date, between five and ten Business Days after the date of the notice, on which the sale and purchase of the Sale Shares is to be completed (the **Completion Date**)

8 8 Each Compulsory Seller shall deliver to the Company one or more duly executed stock transfer forms in respect of the Sale Shares together with the relevant share certificates (or an indemnity in respect thereof in a form satisfactory to the Board) by the Completion Date. Provided that the Offeree(s) have, by the Completion Date, put the Company in funds to pay the aggregate Sale Price for the Sale Shares offered to him, on the Completion Date the Company shall pay the aggregate Sale Price due to the relevant Compulsory Sellers, on behalf of the Offeree(s). For the avoidance of doubt, the transfer of the Sale Shares shall not be completed until the aggregate Sale Price due to the Compulsory Sellers has been received by the Company from the relevant Offeree(s). Such payment shall be made in a manner to be agreed between the Company and the relevant Compulsory Seller(s) or, in the absence of such agreement, by cheque to the address of the Compulsory Seller as registered in the register of members or register of noteholders at that time. The Company's receipt for the aggregate Sale Price shall be a good discharge to the Offeree(s). The Company shall hold the aggregate Sale Price in trust for the relevant Compulsory Seller(s) without any obligation to pay interest until paid pursuant to this Article.

8 9 For the purposes of these Articles

8 9 1 A **Bad Leaver** is a Leaver who

- (a) has been dismissed as an employee or as a consultant by reason of Summary Dismissal, or
- (b) has ceased to be an employee of or consultant to any Group Company by virtue of his Resignation, or
- (c) if he is immediately prior to becoming a Leaver a Director of a Group Company but neither an employee nor a consultant, he has ceased to be a Director of any Group Company,

8 9 2 A **Very Good Leaver** is a Leaver who has ceased to be an employee or a consultant or a director of any Group Company

- (a) as a result of death, or
- (b) by virtue of mental or physical ill health and who is determined by at least two medical reports from independent medical specialists to be unable to perform his duties as an employee or director of, or a consultant to, any Group Company for a period of at least 12 months,

8.9 3 A **Good Leaver** is a Leaver who (a) is neither a Bad Leaver nor a Very Good Leaver, or (b) where he would otherwise be a Bad Leaver, is stipulated in writing by an Investor Majority to be a Good Leaver (notwithstanding the circumstances in which he has become a Leaver),

provided in each case that the Board with the approval of an Investor Majority may, within 12 months of the Termination Date, re-designate a Good Leaver (but not, for the avoidance of doubt, a Very Good Leaver) to be a Bad Leaver if such Leaver breaches any of the restrictive covenants in his service agreement or contract of employment or consultancy agreement with the relevant member of the Group or in the Investment Agreement (if he is also party to those restrictive covenants) (for the

avoidance of doubt, after such person becomes a Leaver) and such breach or breaches result, or are likely to result, in actual loss to the Group,

8 9 4 **Resignation** means any person serving notice to terminate his consultancy, employment or directorship with any Group Company (save where such notice is given in circumstances amounting to constructive wrongful dismissal or repudiatory breach of contract by the relevant Group Company),

8 9 5 **Summary Dismissal** means summary termination of the employment, directorship or consultancy by any Group Company lawfully and properly in accordance with that person's service agreement, appointment agreement or consultancy agreement and without any obligation on the part of any Group Company to pay that person any salary or other amount in lieu of notice

8 10 If a Compulsory Seller fails to deliver to the Company by the Completion Date duly executed stock transfer forms for all of the Sale Shares which he is due to transfer, the Board may (and shall if requested in writing by an Investor Majority) authorise any Director to execute, complete and deliver in the name of and on behalf of the Compulsory Seller (who irrevocably agrees to such authorisation and appoints the relevant Director as his attorney) a transfer of the Sale Shares to the relevant Offeree provided that the Offeree has, by the Completion Date, put the Company in funds to pay the aggregate Sale Price for the Sale Shares offered to him. The Board shall then authorise registration of the transfer(s) once appropriate stamp duty has been paid. The defaulting Compulsory Seller shall surrender to the Company his share certificate (or, where appropriate, provide an indemnity in respect thereof in a form satisfactory to the Board) for the Sale Shares whereupon he shall be entitled to the aggregate Sale Price for the Sale Shares transferred by him.

8 11 Where an Investor Majority stipulates in writing to the Company and to the relevant Compulsory Seller, any Shares held by, or on behalf of, a Compulsory Seller on the Termination Date (and any Shares issued to a Compulsory Seller after the Termination Date whether by virtue of the exercise of any right or option granted, or arising by virtue of the holding of the Sale Shares by the Compulsory Seller) shall cease to confer the right to be entitled to receive notice of or to attend or vote at any general meeting of the Company or at any meeting of the holders of any class of Shares in the capital of the Company with effect from the Termination Date (or, where appropriate, the date of issue of such Shares, if later) and such Shares shall not be counted in determining the total number of votes which may be cast at any such meeting or required for the purposes of a written resolution of any members or class of members. Where such right has been suspended it shall be restored immediately upon

8 11 1 the Company registering a transfer of the Sale Shares pursuant to this Article 8; or

8 11 2 a Sale or Listing

8 12 Unless an Investor Majority otherwise agrees, any notice relating to the transfer of the Sale Shares or any of them in force at the Termination Date shall immediately be cancelled (unless all the Shares subject to it have already been sold) and no further notice shall be issued or be deemed to be issued in respect of the Sale Shares except pursuant to this Article 8

8.13 **Deceased/Insolvent Members**

Without prejudice to Article 8 1 (which, in the event of any conflict shall override the provisions of this Article 8 13

- 8 13 1 if an Investor Majority so determines, it may at any time give notice to the legal personal representatives of a deceased Member (**PRs**) or the trustee in bankruptcy, receiver, administrator, or liquidator of a shareholder, requiring such person to elect either to be registered himself or to give a Sale Notice in accordance with Article 8 2 in respect of all the Shares then registered in the name of the deceased or insolvent Member which will apply as if set out in full in this Article The provisions of Article 8 4 2 shall apply for the purposes of determining the price for any Sale Shares the subject of any Sale Notice properly given pursuant to this Article 8 13 1; and
- 8 13.2 if such notice is not complied with within 14 days from the date of such notice, the Directors shall authorise some person to execute and deliver (i) a Sale Notice in respect of all such Shares and (ii) a transfer of the Shares concerned to the purchaser or purchasers procured in accordance with Article 8 2;
- 8.13 3 the Company may give a good receipt for the purchase price of such Shares and may register the purchaser or purchasers as the holders thereof, and issue certificates for the same to them, whereupon the purchaser or purchasers shall become indefeasibly entitled thereto, and
- 8 13 4 in any such case, the person entitled to the Shares as a consequence of the death or insolvency shall be bound to deliver up the certificates for the Shares concerned to the Company, whereupon they shall become entitled to receive the purchase price In the meantime, the purchase price will be held by the Company on trust for such person or persons but without interest

9. DRAG ALONG RIGHTS

- 9 1 Notwithstanding any other provision of these Articles, if at any time an independent third party (the **Buyer**) makes a bona fide offer to purchase the entire issued share capital of the Company (a **Qualifying Offer**), an Investor Majority shall have the right (the **Drag Right**), subject to Article 9 3, to require (in the manner set out in this Article 9) all of the other Members (the **Called Shareholders**) to accept the Qualifying Offer in full and to sell and transfer their Shares (irrespective of class) to the Buyer (or as the Buyer shall direct) in accordance with this Article 9 Each of the Called Shareholders shall be bound to accept, and shall be deemed to have accepted, any Qualifying Offer from the Buyer, subject only to

9 1 1 the Qualifying Offer including

- (a) an offer by the Buyer to acquire all of the remaining Shares not held by the Investor Majority, and
- (b) an undertaking from the Buyer that no other consideration (whether in cash or otherwise) is to be received or receivable by any Member which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by that Member and that neither the Buyer nor any person acting by agreement or understanding with it has otherwise entered into more favourable terms with any other Member for the purchase of Shares,

- 9 1 2 the aggregate consideration offered by the Buyer for all the Shares (including any Shares to be allotted or transferred pursuant to clause 7 3 of the Investment Agreement) being distributed in accordance with Article 3 2

Such price may be satisfied in cash, securities or otherwise in any combination thereof and the manner of satisfaction shall be stated in the Drag Notice (as defined in Article 9 2) and (subject always to Article 3 2) shall be in the same combination as between the Called Shares (as defined in Article 9 2) and the Shares held by the Investor Majority

- 9 2 In order to exercise the Drag Right written notice of the exercise of such drag right (the **Drag Notice**) must be given to the Called Shareholders not less than 5 Business Days prior to the transfer of Shares to the Buyer held by the persons invoking the relevant drag right The Drag Notice shall specify that the Called Shareholders are required to transfer all of their Shares (the **Called Shares**) pursuant to these Articles, the person to whom they are to be transferred, the consideration for which the Called Shares are to be transferred (including all non-cash consideration) and the proposed date of transfer and any other terms and conditions relevant to the Qualifying Offer
- 9 3 On receipt of the Drag Notice, each of the Called Shareholders will be bound to accept, and shall be deemed to have accepted, the Qualifying Offer in respect of its entire holding of Shares and to comply with the obligations assumed by it by virtue of such acceptance, provided that the consideration for each of the Called Shares attributes a value to such Called Share that is in compliance with Article 9 1 2
- 9 4 Upon any person, following the issue of a Drag Notice, becoming a Member of the Company pursuant to the exercise of a pre-existing option to acquire Shares in the Company or otherwise (a **New Member**), a Drag Notice shall be deemed to have been served upon the New Member on the same terms as the previous Drag Notice who shall thereupon be bound to accept the Qualifying Offer and the provisions of this Article 9 shall apply to the New Member as if he was a Called Shareholder
- 9 5 Any rights of pre-emption set out in these Articles or otherwise shall not apply to any transfer of Shares to a Buyer (or as it may direct) pursuant to a sale in respect of which a Drag Notice has been duly served and each Member waives any and all rights of pre-emption to which he or she may be entitled in respect of such a transfer
- 9 6 If any Called Shareholder fails to transfer any of the Shares held by it in accordance with this Article or otherwise fails to take any action required of it under the terms of the Qualifying Offer
- 9 6 1 any persons so authorised by the Board may undertake any action required under the terms of the Qualifying Offer on the part of that Called Shareholder, including (without limitation)
- (a) accepting such Qualifying Offer on behalf of the Called Shareholder in question,
 - (b) executing the necessary transfer(s) of the relevant Shares on behalf of the Called Shareholder in question, and
 - (c) subject to receipt by the Company (on trust for the relevant Called Shareholder) of the purchase monies or any other consideration payable for the relevant Shares and compliance by the Buyer with the other terms of the relevant Qualifying Offer, delivering the transfer(s) of the relevant Shares to the Buyer,
- 9 6 2 the Company shall, if so required by the Buyer or an Investor Majority, receive on trust as agent for the relevant Called Shareholder the purchase monies or any other

consideration payable for the relevant Shares and give the Buyer a good discharge for the same on behalf of the relevant Called Shareholder and shall enter the name of the Buyer in the register of members as the holder of such of the Shares as have been transferred to it subject only to such transfer having been duly stamped,

9 6 3 any Shares acquired by that Called Shareholder from time to time thereafter, whether by virtue of the exercise of any right or option granted or arising by virtue of the holding of Shares by the Called Shareholder, or otherwise, shall immediately.

(a) automatically cease to confer the right to receive notice of or to attend or vote (either in person or by proxy and whether on a poll or on a show of hands) at any general meeting of the Company or (subject to the Act) at any meeting of the holders of any class of shares in the capital of the Company with effect from the date of the Drag Notice (or the date of acquisition of such shares, if later), and

(b) not be counted in determining the total number of votes which may be cast at any such meeting, or required for the purposes of a written resolution of any member or any class of members, or for the purposes of any other consent required under these Articles

9 7 The rights referred to in Article 9 6 3 shall be restored immediately upon the transfer of the Shares in accordance with this Article 9

9 8 After registration, the title of the Buyer (or its nominee), as registered holder of such Shares, will not be affected by any irregularity in, or invalidity of such proceedings, which will not be questioned by any person. The Company shall procure that the consideration is held on trust for the Called Shareholder until the Called Shareholder shall deliver up the certificates for the relevant Shares (or an indemnity in respect of such certificates reasonably satisfactory to the Company) to the Company whereupon the Company shall pay over the consideration to the Called Shareholder. The Company shall have no liability to pay or account for any interest on the consideration

10. TAG ALONG RIGHTS

10 1 Notwithstanding any other provision of these Articles, but save for transfers of Shares pursuant to Articles 7 1, 7.2, 7 3 or 7 4 or transfers of Shares in accordance with Article 9 (Article 9 taking precedence over this Article 10), if any holders (**Exiting Shareholders**) wish to transfer their Shares which would result in a person or persons Acting in Concert obtaining a Controlling Interest they shall procure that

10 1 1 the proposed purchaser shall make an offer in writing to all other holders of Shares to acquire all their A Shares, B Shares, Ordinary 1 Shares, Ordinary 2 Shares, Ordinary 3A Shares and Ordinary 3B Shares which

(a) is stipulated to be open for acceptance for at least 10 Business Days, and

(b) includes an undertaking from the Exiting Shareholders that no other consideration (whether in cash or otherwise) is to be received or receivable by any Member which, having regard to the substance of the transaction as a whole, can reasonably be regarded as an addition to the price paid or payable for the Shares to be sold by that Member and that neither the Exiting Shareholders nor any person acting by agreement or understanding with

them has otherwise entered into more favourable terms with any other Member for the purchase of Shares,

- 10.1.2 on completion of the proposed purchaser's acquisition of all of the Shares the aggregate consideration offered by the proposed purchaser for all the shares (including any Shares to be allotted or transferred pursuant to clause 7.3 of the Investment Agreement) is distributed in accordance with Article 3.2, and
- 10.1.3 the completion of the proposed purchaser's acquisition of those Shares held by the Exiting Shareholder and the completion of the proposed purchaser's acquisition of all other Shares takes place at the same time (with such completion being permitted to take place only if the Exiting Shareholders have complied with their obligations under this Article 10)

11. GENERAL MEETINGS, CLASS MEETINGS AND RESOLUTIONS

11.1 Quorum

- 11.1.1 No business shall be transacted at any general meeting unless a quorum of Members is present at the time when the meeting proceeds to business. Subject to Article 11.1.2, the quorum at any general meeting shall be the holders of 75 per cent of the issued Ordinary 1 Shares, being Members present in person or by proxy or by duly authorised representative of a corporation.
- 11.1.2 If no quorum is present at a general meeting then the meeting shall stand adjourned for a period of not less than 5 Business Days to such time and place as the Board shall agree and notify to the Members. If at the adjourned general meeting a quorum is not present the Members then present in person or by proxy or by duly authorised representative shall constitute a quorum.
- 11.1.3 If and for so long as the Company has only one Member, that Member present in person or by proxy, or, if that Member is a corporation, by a duly authorised representative, shall be a quorum.

11.2 Proxies

An instrument appointing a proxy shall be effective if such appointment is brought to the attention of the chairman of the meeting at any time prior to the taking of any vote (whether on a show of hands or on a poll) (including after the commencement of the meeting). A proxy shall be entitled to vote on a show of hands. Where a Member entitled to vote on a resolution has duly appointed more than one proxy, all such proxies taken together shall have the same number of votes on a show of hands as the Member who appointed them would have if it/he were present at the meeting.

11.3 Directors' rights

A Director shall not be required to hold any share qualification, but nevertheless shall be entitled to attend and speak at any general meeting of the Company and at any separate general meeting of the holders of any class of shares in the capital of the Company.

11.4 Class meetings

At meetings of the Members of one class of Shares for the purposes of Article 4 or otherwise, all of the provisions of these Articles relating to general meetings of the Company or to the proceedings thereat shall, *mutatis mutandis*, apply, except that

- 11 4 1 the necessary quorum at any such meeting (other than an adjourned meeting) shall be two persons at least holding or representing by proxy one third in nominal value of the issued Shares of the class unless all the Shares of any class are registered in the name of a single Member in which case the quorum shall be one person (or, in the case of a single corporate Member, one person who is the duly authorised representative of such Member) (but so that if at any adjourned meeting of such holders a quorum as above defined is not present those Members who are present shall be a quorum),
- 11 4 2 any holder of Shares of the class present in person or by proxy may demand a poll,
- 11 4 3 at any adjourned meeting of such holders one holder present in person or by proxy (whatever the number of Shares held by him) shall be a quorum, and
- 11 4 4 the holders of Shares of the class shall, on a poll, have one vote in respect of every Share of the class held by them respectively

11.5 Resolutions

Any notice of a general meeting of the Members or of a meeting of the Members of any one class of Shares, or any written resolution circulated to Members, shall include a separate resolution in respect of each individual item of business or matter on which the Members or the Members of such class of Shares are required to vote

12. NUMBER OF DIRECTORS

The minimum number of Directors (other than any Investor Directors) shall be two The number of Directors shall not be subject to any maximum

13. APPOINTMENT AND REMOVAL RIGHTS

Chairman of the Board

- 13 1 An Investor Majority shall, following consultation in good faith with a Manager Majority and (for so long as the Individual Shareholders or their permitted transferees (in terms of Article 7 1) are the registered holders or beneficial owners of shares representing, in aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being) an Individual Shareholder Majority, be entitled from time to time to appoint any person to be a non-executive director of the Company and the Chairman and to remove such person for any reason whatsoever and to appoint another person as a non-executive director of the Company and Chairman in his place Any such appointment and removal shall be made by notice in writing from an Investor Majority to the Company and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the notice
- 13 2 If and for so long as a Chairman has not been appointed to the Board in terms of Article 13.1 an Investor Majority may appoint any Director to chair their meetings and terminate such a chairman's appointment at any time. If a chairman is not participating in a Directors' meeting within fifteen minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it
- 13 3 An Investor Majority shall, if and for so long as the Investors hold a majority of the voting rights attached to the Company's voting share capital for the time being, have power from time to time and at any time to appoint any person (being a fit and proper person to hold such office) as a Director either as an additional Director or to fill any vacancy and to remove from office any Director (other than an Investor Director) howsoever appointed Any such appointment or

removal shall be effected by a notice in writing signed by an Investor Majority and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the notice

13 4 So long as any of the Investors or any of their permitted transferees (in terms of Article 7 1 of the Articles) or nominees are the registered holders or beneficial owners of any A Shares in issue, an Investor Majority may from time to time appoint two Investor Directors (each being a fit and proper person to hold such office) to the Board of the Company and may remove any such Investor Director and appoint another person in his place Any such appointment or removal shall be effected by a notice in writing signed by an Investor Majority and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the notice

13 5 For so long as the Individual Shareholders or their permitted transferees (in terms of Article 7.1) are the registered holders or beneficial owners of shares representing, in aggregate, 5% or more of the voting rights attached to the Company's voting share capital for the time being, the Individual Shareholders may from time to time acting together appoint one or both of themselves or (with Investor Consent) any one or two other persons (each being a fit and proper person to hold such office) as a director of the Company (each a **Hannah Director**) and to remove from office any Hannah Director so appointed Any appointment or removal shall be effected by a notice in writing signed by each Individual Shareholder and shall take effect upon lodgement at the registered office of the Company or such later date as may be specified in the notice

14. PROCEEDINGS OF DIRECTORS

Quorum

14 1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting

14 2 The quorum for the transaction of business of the Board shall be one Investor Director and one other Director provided that where no Investor Director is currently appointed any two Directors shall constitute a quorum for the transaction of any business of the Board If no quorum is present at a meeting to transact the business of the Board then the meeting shall stand adjourned for a period of exactly 5 Business Days to the same time and place as the time and place of the originally convened meeting If at the adjourned meeting a quorum is not present any two Directors shall constitute a quorum

Decisions of Directors

14 3 Any decision of the Directors must be taken at a meeting of Directors in accordance with these Articles or must be a decision taken in accordance with Article 14 4 (subject to Article 14 5 and Article 14 6) All decisions made at any meeting of the Directors (or any committee of the Directors) shall be made only by resolution and resolutions at any meeting of the Directors (or committee of the Directors) shall subject to the provisions of these Articles be decided by a majority of votes

14 4 A unanimous decision of the Directors is taken in accordance with this Article when all Eligible Directors indicate to each other by any means that they share a common view on a matter

14 5 A decision taken in accordance with Article 14 4 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

14 6 A decision may not be taken in accordance with Article 14 4 if the Eligible Directors would not have formed a quorum at a Directors' meeting to vote on the matter

Delegation

14 7 Save with Investor Consent

14 7 1 the Board shall not delegate any of its powers to a committee, and

14 7 2 meetings of the Board shall not be held outside the United Kingdom

and Regulation 5 of the Model Articles shall be amended accordingly

Votes

14 8 The voting rights of the Investor Directors shall be as follows

14 8 1 for so long as only one Investor Director is appointed to the Board, that Investor Director shall have a second vote, and

14 8 2 for so long as no Chairman is appointed to the Board, the Investor Directors (acting together) or the sole Investor Director (if only one is appointed to the Board) shall have an additional vote, and

14.8.3 the Investor Directors (acting together) or the sole Investor Director (if only one is appointed to the Board) shall have a further additional or casting vote at a meeting of the Board

15. DIRECTORS' INTERESTS

Transactions or other arrangements with the company

15 1 Subject to sections 177(5) and 177(6) and sections 182(5) and 182(6) of the Act and provided he has declared the nature and extent of his interest in accordance with the requirements of the Act, a Director who is in any way, whether directly or indirectly, interested in an existing or proposed transaction or arrangement with the company

15 1 1 may be a party to, or otherwise interested in, any transaction or arrangement with the company or in which the company is otherwise (directly or indirectly) interested,

15 1 2 shall be an Eligible Director for the purposes of any proposed decision of the Directors (or committee of Directors) in respect of such contract or proposed contract in which he is interested,

15 1 3 shall be entitled to vote at a meeting of Directors (or of a committee of the Directors) or participate in any unanimous decision, in respect of such contract or proposed contract in which he is interested and shall be entitled to be counted for the purpose of any quorum required whether pursuant to Article 14 of these Articles, these Articles generally or otherwise,

15 1 4 may act by himself or his firm in a professional capacity for the Company (otherwise than as auditor) and he or his firm shall be entitled to remuneration for professional services as if he were not a Director,

- 15.15 may be a Director or other officer of, or employed by, or a party to a transaction or arrangement with, or otherwise interested in, any body corporate in which the Company is otherwise (directly or indirectly) interested, and
- 15.16 shall not, save as he may otherwise agree, be accountable to the Company for any benefit which he (or a person connected with him) derives from any such contract, transaction or arrangement or from any such office or employment or from any interest in any such body corporate and no such contract, transaction or arrangement shall be liable to be avoided on the grounds of any such interest or benefit nor shall the receipt of any such remuneration or other benefit constitute a breach of his duty under section 176 of the Act

Directors' conflict of interest

- 15.2 For the purposes of section 175 of the Act (S.175), the Directors shall have the power to authorise any matter proposed to them in accordance with these Articles which would, if not so authorised, involve a breach of the duty of a Director under S 175 to avoid a situation in which he has, or can have, a direct or indirect interest that conflicts, or possibly may conflict, with the interests of the Company. The provisions of Articles 15.2 to 15.8 do not apply to a conflict of interest arising in relation to a transaction or arrangement with the Company
- 15.3 Any authorisation under Article 15.2 will be effective only if
- 15.3.1 the matter in question shall have been proposed for consideration at a meeting of the Directors, in accordance with the Board's normal procedures or in such other manner as the Directors may approve,
- 15.3.2 any requirement as to the quorum at a meeting at which the matter is considered is met without counting the Director in question or any other interested Director and the matter was agreed to without their voting or would have been agreed to if their votes had not been counted
- 15.4 Any authorisation of a matter under Article 15.2 may be given on such terms as the Directors may determine. Such authorisation may be given subject to any conditions or limitations the Directors impose, whether at the time of giving the authorisation or subsequently, but such authorisation is otherwise given to the fullest extent permitted. A Director shall comply with any obligations imposed upon him or undertakings given by him pursuant to such authorisation. The Directors may vary or terminate any such authorisation at any time
- 15.5 Any authorisation of a matter pursuant to Article 15.2 shall extend to any actual or potential conflict of interest which may reasonably be expected to arise out of the matter so authorised
- 15.6 A Director shall not, in the absence of agreement by him to the contrary, be accountable to the Company for any profit, remuneration or other benefit which he (or a person connected with him) derives from any matter which has either been authorised by the Directors in accordance with Article 15.2 or by the Company in general meeting or by written resolution (subject in each case to any terms, limits or conditions attaching to that authorisation) and any contract, transaction or arrangement relating thereto shall not be liable to be avoided on the grounds of any such profit, remuneration or benefit
- 15.7 Where the Directors have authorised a matter pursuant to Article 15.2 in circumstances where the conflict of interest or possible conflict of interest arises out of the Director's relationship with another company or person, the Director may for so long as he believes, acting reasonably, that such conflict of interest or possible conflict of interest subsists

- 15 7 1 withhold from the other Directors and the Company information which he obtains or has obtained as a result of that relationship and otherwise than as a Director and in respect of which he has a duty of confidentiality to another person (**Conflicted Confidential Information**) where disclosure of that information would amount to a breach of that duty;
- 15 7 2 refrain from using Conflicted Confidential Information in performing his duties as a Director where such use would amount to a breach of that duty,
- 15 7 3 be absent from meetings of the Directors at which any matter relating or giving rise to the conflict of interest or possible conflict of interest may be discussed, or leave such meetings or refrain from participation in the discussion if this subject matter is raised,
- 15 7 4 request that all information to be supplied by the Company to the Directors related to such conflict or any matter giving rise to it be withheld from him or re-directed to his agent or professional adviser
- 15 8 The Directors may require a Director to take any or all of the actions specified in Article 15 7 in the circumstances described in Article 15 7 as they think appropriate and a Director shall comply when required to do so
- 15 9 Where the Directors authorise a conflict in terms of Article 15 2, the Director in receipt of such authorisation will be obliged to conduct himself in accordance with any terms imposed by the Directors in relation to the conflict Where the Director in receipt of such authorisation acts in accordance with such terms (if any) as the Directors impose in respect of the authorisation or, where relevant, in accordance with Articles 15.7 or 15 8, the Director will not by reason only of having so acted infringe any duty he owes to the Company by virtue of Sections 171 to 177 (inclusive) of the Act
- 16. APPOINTMENT, DISQUALIFICATION AND REMOVAL OF DIRECTORS**
- 16 1 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
 - 16 1 1 by ordinary resolution, or
 - 16 1 2 by a decision of the Directors made with Investor Consent
- 16 2 Any person ceases to be a Director as soon as
 - 16 2 1 he ceases to be a director by virtue of any provision of the Act or is prohibited from being a director by law,
 - 16 2 2 he becomes bankrupt or suspends payment of or compounds with his creditors,
 - 16 2 3 he becomes of permanently unsound mind or a patient for the purpose of any statute relating to mental health for a continuous period of not less than 60 days or is otherwise mentally incapacitated, in each case to an extent which renders him incapable of discharging his duties as a Director for a period of more than 12 consecutive months,
 - 16 2 4 he resigns his office by notice in writing to the Company (provided he is not a director holding executive office as such for a fixed term) and such resignation has become effective in accordance with its terms,

- 16 2 5 he is removed from office by notice in writing signed by all his co-directors and served upon him (provided that this shall not apply to any Director appointed pursuant to Article 13),
- 16 2 6 he is removed from office by notice in writing signed by the holders of not less than 50% of the A Shares (provided that this shall not apply to any Director appointed pursuant to Article 13), and/or
- 16 2 7 he shall for more than six consecutive months have been absent without permission of the Directors from meetings of the Directors held during that period and the Directors resolve that his office be vacated (provided that this shall not apply to any Director appointed pursuant to Article 13)

17. MEANS OF COMMUNICATION TO BE USED

- 17 1 Any notice, document or other information shall be deemed served on or delivered to the intended recipient
 - 17 1 1 if properly addressed and sent by prepaid first class post, 48 hours after it was posted (or five Business Days after posting to an address outside the United Kingdom), if sent by reputable international overnight courier addressed to the intended recipient, provided that delivery in at least five Business Days was guaranteed at the time of sending and the sending party receives a confirmation of delivery from the courier service provider,
 - 17 1 2 if properly addressed and delivered by hand, when it was given or left at the appropriate address,
 - 17 1 3 if properly addressed and sent or supplied by electronic means, one hour after the document or information was sent or supplied unless the sender has received a reply confirming that (a) the recipient is away and not accessing emails or (b) the email has not been delivered, and
 - 17 1 4 if sent or supplied by means of a website, when the material is first made available on the website or (if later) when the recipient receives (or is deemed to have received) notice of the fact that the material is available on the website.

For the purposes of this Article, no account shall be taken of any part of a day that is not a working day

- 17 2 In proving that any notice, document or other information was properly addressed, it shall be sufficient to show that the notice, document or other information was delivered to an address permitted for the purpose by the Act

18. INDEMNITY

- 18 1 Subject to Article 18 2, but without prejudice to any indemnity to which a relevant officer is otherwise entitled
 - 18 1 1 each relevant officer shall be indemnified out of the Group's assets against all costs, charges, losses, expenses and liabilities incurred by him as a relevant officer in the actual or purported execution and/or discharge of his duties, or in relation to them and including (in each case) any liability incurred by him in defending any civil or criminal proceedings, in which judgment is given in his favour or in which he is acquitted or the proceedings are otherwise disposed of without any finding or

admission of any material breach of duty on his part or in connection with any application in which the court grants him, in his capacity as a relevant officer, relief from liability for negligence, default, breach of duty or breach of trust in relation to any Group Company's (or any associated company's) affairs, and

- 18 1 2 any Group Company may provide any relevant officer with funds to meet expenditure incurred or to be incurred by him in connection with any proceedings or application referred to in Article 18 1 1 and otherwise may take any action to enable any such relevant officer to avoid incurring such expenditure
- 18 2 This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Act or by any other provision of law
- 18 3 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any relevant officer in respect of any relevant loss
- 18 4 The directors of any Group Company other than the Company may decide to purchase and maintain insurance, at the expense of that Group Company, for the benefit of any relevant officer in respect of any relevant loss
- 18 5 In this Article 18
- 18 5 1 a **relevant loss** means any loss or liability which has been or may be incurred by a relevant officer in connection with that relevant officer's duties or powers in relation to a Group Company, any associated company or any pension fund or employees' share scheme of a Group Company or associated company,
- 18 5 2 companies are **associated** if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
- 18 5 3 a **relevant officer** means any Director or other director or officer of a Group Company or an associated company which is a trustee of an occupational pension scheme (as defined by section 235(6) of the Act)

19. DATA PROTECTION

- 19 1 Each of the Members and Directors (from time to time) consent to the processing of their personal data by the Company, its Members and Directors (each a Recipient) for the purpose of due diligence exercises, compliance with applicable laws, regulations and procedures and the exchange of information amongst themselves. A Recipient may process such personal data either electronically or manually. The personal data which may be processed for such purposes under this Article shall include any information which may have a bearing on the prudence or commercial merits of investing, or disposing of any Shares or other investment or security in the Company. Subject to any confidentiality undertakings given to them by a Recipient, each of the Members and Directors (from time to time) consent to the transfer of such personal data to persons acting on behalf of any Recipient and to the offices of any Recipient both within and outside the European Economic Area for the purposes stated above, where it is necessary or desirable to do so

20. BORROWING

The Directors may from time to time at their discretion raise or borrow or secure the payment of any sum or sums of money for the purposes or the benefit of the Company or any other person upon such terms as to interest or otherwise as they may deem fit, and may for the purpose of

securing the same and interest, or for any other purpose, create and issue any perpetual or redeemable debentures or debenture stock, bonds, securities or obligations of the Company at any time and in any form or manner and for any amount, and may raise or borrow or secure the payment of any sum or sums of money either by mortgage or charge upon the undertaking or the whole or any part of the property, present or future, or uncalled capital of the Company, and any debentures, debenture stock or other securities may be made assignable free from any equities between the Company and the person to whom the same may be issued, and any debentures, debenture stock and other securities may be issued at a premium or otherwise, and with any special privileges as to redemption, surrender, transfer, drawings, allotments of shares, attending and voting at general meetings of the Company, appointment of Directors and otherwise