

Company No: 10294405

**COMPANY LIMITED BY SHARES**

**WRITTEN RESOLUTION**

of

**MONACO TOPCO LIMITED ("Company")**

Pursuant to Chapter 2 of Part 13 of the Companies Act 2006 (the "Act"), by or on behalf of the required number of the members of the Company who, at the date of circulating the resolution, were entitled to vote on the resolution the following resolutions of the Company were duly passed on:

Date: 20 December 2019

**RESOLUTIONS**

**As an ordinary resolution**

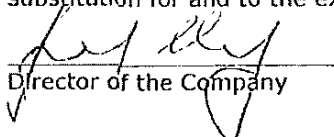
- 1.1 **THAT**, for the purposes of section 551 of the Act, the Directors be and are generally and unconditionally authorised to exercise all powers of the Company to allot any such shares and to grant any such subscription and conversion rights, as are contemplated in sub-sections 551(1)(a) and 551(1)(b) respectively of the Act up to a maximum nominal amount of £6.26 to such persons and at such times and on such terms as they think proper during the period expiring at the end of five years from the date of the passing of this resolution so that all previous authorities of the Directors pursuant to section 551 be and are revoked; and

**As special resolutions**

- 1.2 **THAT**, the Directors be empowered pursuant to section 570 of the Act to allot equity securities pursuant to the general authority given to them for the purposes of section 551 of the Act by the above ordinary resolution as if section 561(1) of the Act did not apply to any such allotment and the Company may make an offer or agreement which will or may require equity securities to be allotted after the expiry of the power granted by this resolution; and
- 1.3 **THAT**, the Articles of Association set out in the document produced to this meeting and signed by the Chairman of the meeting for the purposes of Identification, which incorporate the following amendments only to the Company's existing Articles of Association:
- 1.3.1 the definition of "**Post-Ratchet Additional Amount**" be replaced with '*4% of any Surplus Assets in excess of the Target Return Amount*';
- 1.3.2 article 14.2.2.2 be replaced with '*each holder of D Ordinary Shares (in that capacity) shall be entitled to receive any Post-Ratchet Additional Amount on a pro rata basis in respect of each D Ordinary Share held by him*'; and
- 1.3.3 article 18.13 be replaced with '*Notwithstanding any other provision in these Articles, the maximum number of D Ordinary Shares that can be in issue at any time is 80*';

be and are hereby approved and adopted as the Articles of Association of the Company in substitution for and to the exclusion of all existing Articles of Association of the Company.

Signed

  
Director of the Company

Dated: 20 December 2019

MONDAY



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COMPANIES HOUSE

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Company No. 10294405

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**Articles of Association of Monaco Topco Limited**

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Incorporated 25 July 2016

Adopted by special resolution passed on *10 December* 2019

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THE COMPANIES ACT 2006

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PRIVATE COMPANY LIMITED BY SHARES

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ARTICLES OF ASSOCIATION

OF

MONACO TOPCO LIMITED

Adopted by special resolution passed on

2019

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1. **PRELIMINARY**

The model articles of association for private companies limited by shares contained in Schedule 1 to The Companies (Model Articles) Regulations 2008 in force on the date when these Articles become binding on the Company ("**Model Articles**") apply to the Company except in so far as they are excluded or varied by these Articles. For the avoidance of doubt, in the event of any conflict or inconsistency between the provisions of these Articles and the Model Articles, the provisions of these Articles will prevail.

2. **INTERPRETATION**

2.1 In this Record the following words and expressions have the following meanings:

<b>"2006 Act"</b>	the Companies Act 2006 (as amended from time to time)
<b>"A Loan Note Instrument"</b>	the loan note instrument issued by Midco on 3 August 2016 constituting the A Loan Notes as amended, supplemented, varied or replaced from time to time
<b>"A Loan Notes"</b>	the £64,430,482 unsecured loan notes 2024 of Midco constituted by the A Loan Note Instrument
<b>"a New Member"</b>	has the meaning given in <b>Article 22.6</b>
<b>"A Ordinary Shares"</b>	the A ordinary shares of £0.001 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"acting in concert"</b>	the meaning set out in the City Code on Takeovers and Mergers for the time being
<b>"Additional Securities"</b>	has the meaning given in <b>Article 18.3</b>
<b>"Approved Transferee"</b>	any employee, director or other officer or prospective employee, director or other officer of any Group Company nominated by the Remuneration Committee with Investor Consent
<b>"Articles"</b>	these Articles of Association as amended, supplemented, varied or replaced from time to time
<b>"Auditors"</b>	the auditors to the Company for the time being

<b>"B Loan Note Instrument"</b>	the loan note instrument issued by the Company on 3 August 2016 constituting the B Loan Notes as amended, supplemented, varied or replaced from time to time
<b>"B Loan Notes"</b>	the £10,537,017 unsecured loan notes 2024 of the Company constituted by the B Loan Note Instrument
<b>"B Ordinary Shares"</b>	the B ordinary shares of £0.001 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"Bad Leaver"</b>	<p>means:</p> <ul style="list-style-type: none"> <li>(a) a Leaver who gives notice to terminate his Contract of employment or consultancy agreement to the relevant Group Company (save in the circumstances contemplated by <b>paragraph (a)(ii)</b> of the definition of Good Leaver or where a court or the Employment Tribunal has found that such Leaver has been constructively dismissed (such decision of the court or Employment Tribunal being final and incapable of appeal), in which case the Leaver will be deemed to be an Intermediate Leaver); or</li> <li>(b) a Leaver whose contract of employment or consultancy agreement is summarily terminated without compensation or notice by the relevant Group Company in circumstances where such summary termination or dismissal is permitted in accordance with the terms of such agreement</li> </ul> <p>and in each case is not determined by the Remuneration Committee (with Investor Consent) to be a Good Leaver</p>
<b>"Bidco"</b>	Monaco Bidco Limited (registered number 10296110) whose registered office is at Nexus Place, 25 Farringdon Street, London EC4A 4AF
<b>"Board"</b>	the board of directors of the Company from time to time
<b>"Business Day"</b>	any day (other than a Saturday or Sunday) on which banks are open in London for normal banking business
<b>"Buyer"</b>	has the meaning given to that term at <b>Article 22.5</b>
<b>"C Ordinary Shares"</b>	the C1 Ordinary Shares, the C2 Ordinary Shares, the C3 Ordinary Shares, the C4 Ordinary Shares, the C5 Ordinary Shares and the C6 Ordinary Shares (pari passu as if they constituted one class)
<b>"C1 Ordinary Shares"</b>	the C1 ordinary shares of £0.001 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class

<b>"C2 Ordinary Shares"</b>	the C2 ordinary shares of £0.1 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"C3 Ordinary Shares"</b>	the C3 ordinary shares of £0.1 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"C4 Ordinary Shares"</b>	the C4 ordinary shares of £0.1 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"C5 Ordinary Shares"</b>	the C5 ordinary shares of £0.1 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"C6 Ordinary Shares"</b>	the C6 ordinary shares of £1.00 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"Called Shareholders"</b>	has the meaning given to that term at <b>Article 22.5</b>
<b>"Called Shares"</b>	has the meaning given to that term at <b>Article 22.5</b>
<b>"Cash Equivalent"</b>	where the consideration comprises: <ul style="list-style-type: none"> <li>(a) listed securities, the average of the middle market prices at which transactions took place over the five dealing days prior to the Exit Date; or</li> <li>(b) loan notes, loan stock or other debt instruments guaranteed unconditionally by an authorised UK bank, the face value thereof; or</li> <li>(c) unlisted securities or other instruments not guaranteed as aforesaid, such amount as Investor Majority and the holders of a majority of the Managers' Shares shall agree to be the value thereof;</li> <li>(d) any other asset, such amount as Investor Majority and the holders of a majority of the Managers' Shares shall agree to be the value thereof; or</li> <li>(e) future, fixed or contingent payments, such amount as Investor Majority and the holders or a majority of the Managers' Shares shall agree to be the present value thereof</li> </ul>

provided that if an Investor Majority and the holders of a majority of the Managers' Shares shall not be able to agree the value of the Cash Equivalent in accordance with the above provisions then the dispute shall be referred to an Independent Accountant who shall determine the dispute in accordance with **Article 32** (mutatis mutandis)

<b>"Cessation Date"</b>	shall mean the date on which the relevant Leaver became a Leaver as determined in accordance with <b>Article 23.3</b>
<b>"Chairman"</b>	has the meaning given to that term at <b>Article 10.6</b>
<b>"Compulsory Sale Price"</b>	the meaning given to that term at <b>Article 23.3</b>
<b>"Compulsory Seller"</b>	the meaning given in <b>Article 23.3</b>
<b>"Compulsory Transfer Notice"</b>	the meaning given in <b>Article 23.3</b>
<b>"connected person"</b>	the meaning given to that expression in section 993 of the Income Taxes Act 2007 and <b>"connected"</b> and <b>"connected with"</b> shall be construed accordingly provided that the parties to the Investment Agreement shall not be considered to be connected with each other as a consequence of being parties to the Investment Agreement
<b>"Controlling Interest"</b>	an interest (as defined in sections 820 to 825 of the 2006 Act) in Shares conferring in aggregate more than 50% of the total voting rights normally exercisable at a general meeting of the Company
<b>"D Ordinary Shares"</b>	the D ordinary shares of £0.01 each of the Company having the rights set out in <b>Article 14</b> in respect of Shares of that class
<b>"Drag Along Notice"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"Drag Along Option"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"Drag Offer"</b>	the meaning given to that term at <b>Article 22.5</b>
<b>"electronic address"</b>	any address or number used for the purposes of sending or receiving documents or information by electronic means
<b>"Employee Trust"</b>	any trust established by the Company for the benefit of employees and/or any of the persons referred to in section 1166 of the 2006 Act and which has been approved by the Investor Majority
<b>"Equity Shares"</b>	the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares
<b>"Event of Default"</b>	the occurrence of any of the following (in each case without Investor Consent): <ul style="list-style-type: none"> <li>(a) the relevant Group Company has failed or been unable to redeem any of the A Loan Notes on the due date for redemption and/or pay interest or any other sum due within five Business Days of the due date for payment in accordance with the A Loan Note Instrument and/or the; or</li> <li>(b) any Group Company is in breach of any of the financial covenants under the Facility Documents or an "Event of Default" (as defined in the Facility Documents) has</li> </ul>



otherwise occurred or arisen under the Facility Documents and, in each case, such breach or default has not been waived in accordance with the terms of the Facility Documents; or

- (c) there is a material breach of the provisions of these Articles and/or clauses 4 (warranties), 10.2.1, 10.3 and 10.5 (observance), 11 and Schedule 5 (consent matters) and 16 (PAYE Income indemnity) of the Investment Agreement by the Company or the Managers (or any of them); or
- (d) a Group Company becomes Insolvent; or
- (e) there is a breach of the Investor Covenant

**"Exit Capitalisation"**

In respect of:

- (a) a Relevant Sale, the aggregate maximum price payable under the terms of the Relevant Sale (or the Cash Equivalent thereof) including any payments to be made to the selling holders of Relevant Equity Shares which can reasonably be termed in the nature of consideration or inducement to participate in the Relevant Sale less the costs of the Relevant Sale attributable to the shareholders; or
- (b) a Listing, the capitalisation of the Relevant Equity Shares (or the Shares or shares in a New Holding Company into which Relevant Equity Shares convert prior to the Listing) at the price per share at which A Ordinary Shares (or the Shares or shares in a New Holding Company into which A Ordinary Shares convert prior to the Listing) are sold (in any offer for sale, placing tender offer or otherwise) in the Listing, or if there is no such sale, the valuation of the Relevant Equity Shares or the Shares or shares in a New Holding Company into which Relevant Equity Shares convert prior to the Listing) at the Exit Date made by the Company's brokers less in each case the costs of the Listing attributable to the shareholders (save to the extent that such cost has been borne by any member of the Group and taken into account in the price per share applicable to the Listing); or
- (c) a Relevant Asset Sale, the consideration paid (or the Cash Equivalent thereof) for the assets subject to the Relevant Asset Sale plus the consolidated net asset value of all other assets of the Company and its subsidiaries not subject to the Relevant Asset Sale less any costs of the Relevant Assets Sale not borne by a Group Company;

- (d) a return of capital of the Company, the Surplus Assets,

provided that if an Investor Majority and the holders of a majority of the Managers' Shares shall not be able to agree the value of the Exit Capitalisation in accordance with **paragraph (c)** then the dispute shall be referred to the Independent Accountants who shall determine the dispute in accordance with **Article 32**

<b>"Exit Date"</b>	the date when the Exit completes or becomes effective
<b>"Exit"</b>	a Relevant Sale, Relevant Asset Sale, a Listing or a return of capital of the Company on a winding up or otherwise (other than redemption or purchase by the Company of its own shares)
<b>"Facility Agreement"</b>	has the meaning given to it in the Investment Agreement
<b>"Facility Documents"</b>	the Facility Agreement and the Intercreditor Agreement and all documents entered into pursuant to the terms of that agreement from time to time as the same may be amended, supplemented, varied or replaced from time to time
<b>"Fair Value"</b>	for the purposes of these Articles means the amount agreed between the Board (with Investor Consent) and the Compulsory Seller or, in the absence of agreement within 15 Business Days of the date of receipt by the Company of the relevant Compulsory Transfer Notice, as may be determined by the Independent Accountants in accordance with <b>Article 32</b>
<b>"Family Member"</b>	the wife or husband or civil partner (or widow or widower or surviving civil partner), children and grandchildren (including step and adopted children and grandchildren) of a holder
<b>"Family Trust"</b>	in relation to a holder, a trust which does not permit any of the settled property or the income from it to be applied otherwise than for the benefit of that holder or any of his Family Members and under which no power of control over the voting powers conferred by any such 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 holder or any of his Family Members
<b>"Financial Year"</b>	shall in respect of the Company have the meaning defined by section 390 of the 2006 Act
<b>"FSMA"</b>	the Financial Services and Markets Act 2000 (as amended from time to time)
<b>"Good Leaver"</b>	(a) a person who becomes a Leaver as a result of:

	<ul style="list-style-type: none"> <li>(i) death; or</li> <li>(ii) Serious Ill Health; or</li> <li>(iii) redundancy; or</li> <li>(iv) retirement at normal retirement age; or</li> </ul>
	(b) any Leaver whom the Remuneration Committee determines is a Good Leaver with Investor Consent
<b>"Group"</b>	the Company and each of its subsidiaries from time to time and references to <b>"member of the Group"</b> and <b>"Group Company"</b> is to be construed accordingly
<b>"holder"</b>	In respect of any Share, the person or persons for the time being registered by the Company as the holders of that Share but disregarding any Shares held by the Company in treasury and <b>"shareholder"</b> shall be interpreted accordingly
<b>"Independent Accountant"</b>	<p>means an independent firm of chartered accountants:</p> <ul style="list-style-type: none"> <li>(a) agreed by the Investor Majority and: <ul style="list-style-type: none"> <li>(i) the Compulsory Seller(s) in respect of any appointment in order to determine the Fair Value; and</li> <li>(ii) the holders of a majority of the Managers' Shares in respect of any other appointment</li> </ul> <p>(such agreement not to be unreasonably withheld or delayed); or</p> </li> <li>(b) in the absence of agreement within 20 Business Days, as nominated in writing by the President for the time being of the Institute of Chartered Accountants in England and Wales upon the application to the President by the Investor Majority or the relevant person or persons indicated in <b>paragraph (a)</b> above</li> </ul>
<b>"Insolvent"</b>	<p>a Group Company:</p> <ul style="list-style-type: none"> <li>(a) has a receiver, administrator or provisional liquidator appointed;</li> <li>(b) is subject to a notice of intention to appoint an administrator;</li> <li>(c) passes a resolution for its winding-up;</li> <li>(d) has a winding up order made by a court in respect of it;</li> </ul>

- (e) enters into any composition or arrangement with creditors;
- (f) ceases to carry on business; or
- (g) has any steps or actions taken in connection with any of these procedures; or
- (h) is the subject of anything analogous to the foregoing under the laws of any applicable jurisdiction; or
- (i) is the subject of any proceeding in any Member State of the European Union which is capable of recognition under the EC Regulation on Insolvency Proceedings (EC 1346/2000); or
- (j) is the subject of an application for the recognition of a foreign insolvency proceeding under the Cross-Border Insolvency Regulations 2006 (SI 2006/1030)

in each case other than in connection with a solvent reorganisation of the Group to which the Investor Majority has given its prior written consent

**"Intercreditor Agreement"**

has the meaning given to it in the Investment Agreement

**"Intermediate Leaver"**

any Leaver who is not a Good Leaver or a Bad Leaver or a Very Bad Leaver

**"Internal Rate of Return"**

the discount factor which, when applied to the Relevant Cash Outflows and Relevant Cash Inflows, produces a net present value of zero

**"Investment Agreement"**

the investment agreement dated 3 August 2016 and made between the Company, Midco, Bldco, the Managers, the Investors and IPEP as amended, supplemented, varied or replaced from time to time

**"Investment Date"**

3 August 2016

**"Investor Associate"**

members of an Investor Group and any company or fund (including any unit trust or investment trust) or partnership (including a limited partnership) which is advised, or the assets of which are managed, (whether solely or jointly with others) from time to time by the Investor or any member of its Investor Group or IPEP or by any person who advises or manages the assets (or some material part thereof) of that Investor or any member of its Investor Group

**"Investor Consent"**

the consent in writing of the Investor Majority

**"Investor Covenant"**

has the meaning given to it in the Investment Agreement

**"Investor Director"**

any director appointed pursuant to **Article 10**

<b>"Investor Group"</b>	<p>in relation to each Investor the following entities from time to time:</p> <ul style="list-style-type: none"> <li>(a) the Investor or any subsidiary or holding company of the Investor or subsidiary of a holding company of the Investor but excluding any portfolio company of the Investor or subsidiary of a holding company of the Investor (each a <b>"Relevant Person"</b>); and</li> <li>(b) any partnership of which any Relevant Person is general partner, manager or adviser; and</li> <li>(c) any unit trust or other fund of which any Relevant Person is trustee, manager, or adviser; and</li> <li>(d) any unit trust, partnership or other fund, the managers of which are advised by any Relevant Person; and</li> <li>(e) any nominee or trustee of any Relevant Person;</li> <li>(f) any person or firm, authority or organisation (whether or not incorporated) which is the successor in title to, or in whom is vested, or by whom responsibility is assumed for the whole or a substantial part of the functions, assets and liabilities of a Relevant Person including any person who becomes a manager or adviser of an Investor in place of or in addition to such Investor; or</li> <li>(g) any co-investment scheme, being a scheme under which certain officers, employees or partners of a Relevant Person or its adviser or manager are entitled or required (as individuals or through a body corporate or any other vehicle) to acquire shares which the Relevant Person would otherwise acquire or has acquired</li> </ul>
<b>"Investor Majority"</b>	<p>the holders of not less than 50.1% by nominal value of the A Ordinary Shares for the time being (whether through nominees or otherwise)</p>
<b>"Investor Sellers' Shares"</b>	<p>the meaning given to that term in <b>Article 22.5</b></p>
<b>"Investor Sellers"</b>	<p>the meaning given to that term in <b>Article 22.5</b></p>
<b>"Investors"</b>	<p>the "Investors" as defined in the Investment Agreement (including any additional or replacement "Investor" who adheres to the Investment Agreement as an "Investor" in a deed of adherence executed in accordance with the Investment Agreement)</p>

<b>"IPEP"</b>	Inflexion Private Equity Partners LLP (registered number OC316601) whose registered office is at 9 Mandeville Place, London W1U 3AY
<b>"Issue Notice"</b>	the meaning given to that term in <b>Article 18.4</b>
<b>"Issue Price"</b>	<p>(a) in respect of a Share which was subscribed for by the holder of it, the aggregate of the amount paid up (or credited as paid up) in respect of the nominal value and any share premium; and</p> <p>(b) in respect of a share which was acquired by the holder of it by way of share transfer, the aggregate consideration paid by the holder of the Share for such Share (except that where the share transfer is made pursuant to <b>Articles 20.2.1</b> and <b>20.2.4</b>, in which case the Issue Price shall be the Issue Price when the relevant Share was acquired by the transferee of such Share)</p>
<b>"Joint Election"</b>	a joint election under section 431 of the Income Tax (Earnings and Pensions) Act 2003 in a form approved by the Investors, such approval being evidenced by the delivery of Investor Consent
<b>"Leaver"</b>	<p>a shareholder who:</p> <p>(a) is an individual; and</p> <p>(b) is or was previously a director or employee of, or a consultant to, a member of the Group; and</p> <p>(c) ceases to hold such office or employment or consultancy and as a consequence is no longer a director or employee or consultant (directly or through a consultancy company) of any member of the Group</p>
<b>"Listing"</b>	the admission by the Financial Conduct Authority in its capacity as the UK Listing Authority of any Shares (or the shares of any New Holding Company) to the Official List of London Stock Exchange plc or the admission by London Stock Exchange plc of any Shares to trading on AIM, a market of the London Stock Exchange plc or the admission by any recognised investment exchange of any Shares, and, in each case, such admission becoming effective
<b>"Loan Note Instrument"</b>	the A Loan Note Instrument, the B Loan Note Instrument and the V Loan Note Instrument
<b>"Loan Notes"</b>	the A Loan Notes, the B Loan Notes and the V Loan Notes
<b>"Managers' Shares"</b>	the B Ordinary Shares, the C Ordinary Shares and the D Ordinary Shares together with any other class of shares the majority of which are held (excluding any

	shares held in treasury) by or for the benefit of Managers at the relevant time
<b>"Managers"</b>	the "Managers" as defined in the Investment Agreement (including any additional or replacement "Manager" who adheres to the Investment Agreement as a "Manager" in a deed of adherence executed in accordance with the Investment Agreement)
<b>"Member Subscriber"</b>	has the meaning given to that term in <b>Article 18.4</b>
<b>"Midco"</b>	Monaco Midco Limited (registered number 10295644) whose registered office is at Nexus Place, 25 Farringdon Street, London EC4A 4AF
<b>"New Equity Shares"</b>	has the meaning given in <b>Article 18.3</b>
<b>"New Holding Company"</b>	any new holding company of the Company formed for the purpose of facilitating a Refinancing or a Listing
<b>"New Securities"</b>	has the meaning given in <b>Article 18.3</b>
<b>"Non-Pre-Emptive Issue"</b>	has the meaning given in <b>Article 18.8</b>
<b>"Old Equity Shares"</b>	has the meaning given in <b>Article 18.3</b>
<b>"Original Holder"</b>	has the meaning given in <b>Article 20.1</b>
<b>"Post-Ratchet Additional Amount"</b>	4% of any Surplus Assets in excess of the Target Return Amount
<b>"Pre-Ratchet Relevant Percentage"</b>	the higher of: <ul style="list-style-type: none"> <li>(a) 20.5%; and</li> <li>(b) <math>((\frac{x}{y}) \times 100)\%</math></li> </ul> where: <p>x is the total number of C Ordinary Shares in issue on the Exit Date (or such number of C Ordinary Shares that were in issue immediately prior to any redesignation or conversion of the Shares in anticipation of a Listing); and</p> <p>y is the total number of Relevant Equity Shares (excluding any D Ordinary Shares)</p>
<b>"Proportionate Element"</b>	has the meaning given in <b>Article 18.3</b>
<b>"recognised Investment exchange"</b>	the meaning given to the expression in section 285(1) FSMA
<b>"Refinancing"</b>	a refinancing or recapitalisation of the Company (with the consent of an Investor Majority and approved by the Board), including the repayment or redemption of all or any of the Shares and/or any shares, loan notes (including the Loan Notes) or any other debt

	securities issued by the Company or any other Group Company
<b>"Relevant Asset Sale"</b>	a sale of the whole or substantially the whole of the trading assets or trading subsidiaries of the Group
<b>"Relevant Cash Inflows"</b>	the aggregate price (including any premium) paid in respect of the allotment and issue or other acquisition of or subscription for the Relevant Securities in the period between the Investment Date and the Exit Date (Inclusive) provided that, for the avoidance of doubt, the price paid in respect of the allotment and issue or other acquisition of or subscription for any Relevant Security shall be limited to the price paid by the person to whom such Relevant Security is originally issued (regardless of any amounts paid by any person upon any subsequent transfer of such Relevant Security)
<b>"Relevant Cash Outflows"</b>	<p>the Exit Capitalisation attributable to the A Ordinary Shares together with the aggregate amount of:</p> <ul style="list-style-type: none"> <li>(a) all amounts paid in respect of the repayment, pre-payment, redemption or repurchase of any Relevant Securities;</li> <li>(b) all interest, dividends or other distributions paid on the Relevant Securities; and</li> <li>(c) all transaction, monitoring or other fees paid to the holders of the A Ordinary Shares (or their Investor Associates or members of their Investor Groups) other than any fee detailed in clause 5 or clause 13.12 of the Investment Agreement and/or that was approved by the holders of the majority of the Manager Shares,</li> </ul> <p>in each case during the period between the Investment Date and the Exit Date (inclusive)</p>
<b>"Relevant Equity Shares"</b>	the A Ordinary Shares, B Ordinary Shares, the C Ordinary Shares and D Ordinary Shares in issue on the Exit Date (or such A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and D Ordinary Shares that were in issue immediately prior to any redesignation or conversion of the Shares in anticipation of a Listing) but excluding, on a Listing, any Shares Issued at the time of the Listing in order to raise money for the Company for whatever reason
<b>"Relevant Sale"</b>	the transfer (other than a transfer permitted under <b>Article 20</b> (excluding <b>Article 20.3.3</b> for these purposes)) of any interest in Shares to any person other than a New Holding Company (whether by one transaction or by a series of transactions) resulting in that person owning all or substantially all of the issued share capital of the Company
<b>"Relevant Securities"</b>	A Ordinary Shares and A Loan Notes (and any Securities into which such Securities have been converted or redesignated prior to the Exit Date), and any other loan notes or similar securities subscribed



	for or funded by the holders of A Ordinary Shares (or their permitted transferees in accordance with <b>Article 20.1</b> )
<b>"Remuneration Committee"</b>	the remuneration committee of the Company constituted in accordance with the terms of the Investment Agreement
<b>"Requisite Investor IRR"</b>	an Internal Rate of Return of 26% per annum
<b>"Reserved Shares"</b>	has the meaning given in the Investment Agreement
<b>"Sale Shares"</b>	as the context requires, has the meaning given to that term at <b>Article 23.2</b>
<b>"Second Investment Date"</b>	25 May 2018
<b>"Securities"</b>	has the meaning given in the Investment Agreement
<b>"Seller"</b>	a holder who wishes, or is required, to transfer any Share or any beneficial interest therein to a person to whom <b>Article 20</b> (excluding <b>Article 20.3.3</b> for these purposes) does not apply
<b>"Serious Ill Health"</b>	for the purpose of these Articles means a serious illness or disability of: <ul style="list-style-type: none"> <li>(a) the Leaver, save where such illness or disability has arisen as a result of the abuse of drugs or alcohol; or</li> <li>(b) or any Family Member of such Leaver (excluding for these purposes any grandchildren of such Leaver)</li> </ul>
<b>"Service Agreement"</b>	has the meaning given to it in the Investment Agreement
<b>"Shares"</b>	shares in the capital of the Company
<b>"Statutes"</b>	the Companies Act as defined in section 2 of the 2006 Act and every other statute, order, regulation, instrument or other subordinate legislation for the time being in force relating to companies and affecting the Company
<b>"Surplus Assets"</b>	the meaning given to that term at <b>Article 14.2.1</b>
<b>"Tag Along Notice"</b>	the meaning given to that term at <b>Article 22.2</b>
<b>"Tag Along Offer"</b>	the meaning given to that term at <b>Article 22.3</b>
<b>"Tag Sellers"</b>	the meaning given to that term at <b>Article 22.2</b>
<b>"Tag Trigger Transfer"</b>	the meaning given to that term at <b>Article 22.2</b>
<b>"Target Return Amount"</b>	the Exit Capitalisation that would be required: <ul style="list-style-type: none"> <li>(a) if the Exit Date is on or prior to the fourth anniversary of the Investment Date, for the</li> </ul>

Relevant Cash Outflows to equal 2.5 x (2.5 times) the Relevant Cash Inflows; or

- (b) if the Exit Date is after the fourth anniversary of the Investment Date, for the Relevant Cash Outflows to provide the Requisite Investor IRR

**"Transfer Event"**

the meaning given to that term at **Article 23.1**

**"V Loan Note Instrument"**

the loan note instrument to be issued by Midco on or around the Second Investment Date constituting the V Loan Notes as the same may be amended, supplemented, varied or replaced from time to time

**"V Loan Notes"**

the £12,000,000 unsecured loan notes 2024 of the Company to be constituted by the V Loan Note Instrument

**"Very Bad Leaver"**

- (a) any Leaver whose contract of employment or consultancy agreement is terminated by the relevant Group Company due to the relevant Leaver committing fraud in respect of any Group Company (where such fraud is reasonably proven to have occurred and/or admitted by the relevant Leaver); or
- (b) any Leaver who breaches the restrictive covenants set out in that Leaver's employment agreement or consultancy agreement with the relevant Group Company and/or in paragraph of Schedule 8 of the Investment Agreement after they become a Leaver and in each case is not determined by the Remuneration Committee (with Investor Consent) to be a Good Leaver

**"Warehouse"**

an Employee Trust or any other person as nominee for or otherwise on trust for and/or for the benefit of any employees or directors (including future employees and/or directors) of any Group Company.

2.2 Unless the context otherwise requires, words and expressions contained in these Articles bear the same meaning as in the Statutes (but excluding any statutory modification not in force when these Articles become binding on the Company).

2.3 In these Articles:

2.3.1 references to any statute or statutory provision include, unless the context otherwise requires, a reference to that statute or statutory provision as modified, replaced, re-enacted or consolidated and in force from time to time and any subordinate legislation made under the relevant statute or statutory provision:

2.3.2 reference to a **"subsidiary"** or **"holding company"** will have the meanings defined by section 1159 of the 2006 Act and for the purposes of section 1159(1) a company (the first company) shall be treated as a member of another company if:

2.3.2.1 any of its subsidiaries is a member of that other company; or

- 2.3.2.2 any shares in that other company are held by a person acting on behalf of the first company or any of its subsidiaries; or
- 2.3.2.3 any shares in that other company are registered in the name of a person (or its nominee) by way of security or in connection with the granting of security over those shares by the first company;
- 2.3.3 words signifying the singular number only include the plural number and vice versa;
- 2.3.4 references to any gender include every gender;
- 2.3.5 references to a "**person**" include any individual, body corporate, association, partnership, firm, trust, organisation, joint venture, government, local or municipal authority, governmental or supra-governmental agency or department, state or agency of state or any other entity (in each case whether or not having separate legal personality); and
- 2.3.6 any words following the words "**include**", "**includes**", "**including**", "**in particular**" or any similar words or expressions will be construed without limitation and accordingly will not limit the meaning of the words preceding them.
- 2.4 Where the word "**address**" appears in these Articles it is deemed to include postal address and, where applicable, electronic address.

## **PROCEEDINGS OF DIRECTORS**

### **3. UNANIMOUS DECISIONS OF DIRECTORS**

A decision of the directors 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. Model Article 8(2) shall not apply to the Company.

### **4. CALLING A DIRECTOR'S MEETING**

Any director may call a directors' meeting by giving not less than seven days' notice of the meeting (or such lesser notice as all the directors may agree) to the directors or by authorising the company secretary (if any) to give such notice. Model Article 9(1) shall not apply to the Company.

### **5. REMOVAL OF DIRECTORS**

The office of any director shall be vacated if:

- 5.1 (In the case of an executive director only) he shall, for whatever reason, cease to be employed or engaged as a consultant by the Company or any other member of the Group and he does not remain an employee of or consultant to any other Group Company; or
- 5.2 subject to Investor Consent, (other than in the case of an Investor Director) written notice of termination of his appointment is served upon the director and such notice is signed by a majority of the other directors for the time being appointed; or
- 5.3 an Investor Majority requires his resignation in writing having served notice on the Company in accordance with **Article 14.5.1**

and the provisions of Model Article 18 shall be extended accordingly.

### **6. PARTICIPATION IN DIRECTORS' MEETINGS**

- 6.1 Subject to these Articles, directors shall participate in a directors' meeting, or part of a directors' meeting, when:

- 6.1.1 the meeting has been called and takes place in accordance with these Articles;  
and
  - 6.1.2 they can each simultaneously communicate with and to the others participating in the meeting any information or opinions they have on any particular item of the business of the meeting.
- 6.2 In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or, subject to **Article 6.1.2**, how they communicate with each other.
- 6.3 If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.
- 6.4 Model Article 10 shall not apply to the Company.
- 6.5 Model Article 9(2)(c) shall be amended by the insertion of the word "simultaneously" after the words "how it is proposed that they should" and before the words "communicate with each other during the meeting".
- 7. **QUORUM FOR DIRECTORS' MEETINGS**
- 7.1 The quorum for directors' meetings shall throughout each meeting be three directors of which subject to **Article 8.1**, one must be an Investor Director (if appointed).
- 7.2 In relation to any meeting of the directors to consider whether to authorise a conflict of interest of an Investor Director:
  - 7.2.1 It shall not be necessary for an Investor Director to be present in person or by proxy in order to constitute a quorum;
  - 7.2.2 the meeting shall not deal with any other business other than that of the consideration of the conflict of interest of the Investor Director; and
  - 7.2.3 the quorum for such meeting shall be one and Model Article 11(2) is varied accordingly.
- 7.3 Without prejudice to **Article 7.2**, if, and as a consequence of section 175(6) of the 2006 Act, a director cannot vote or be counted in the quorum at a meeting of the directors the following apply:
  - 7.3.1 If the eligible directors participating in the meeting do not constitute a quorum, then the quorum for the purposes of the meeting shall be two, one of which must be, other than a meeting pursuant to **Article 7.2**, an Investor Director (if appointed) and Model Article 11(2) is varied accordingly; and
  - 7.3.2 if, notwithstanding **Article 7.3.1**, the eligible directors participating in the meeting still do not constitute a quorum, then the meeting must be adjourned to enable the holders to authorise any situation in which a director has a conflict of interest.
- 8. **DIRECTORS' INTERESTS**
- 8.1 Subject to these Articles and the 2006 Act, and provided that he has disclosed to the directors the nature and extent of any interest of his, a director (including an Investor Director) notwithstanding his office, but, in the case of directors other than the Investor Directors, subject always to obtaining Investor Consent:
  - 8.1.1 may be a party to or otherwise interested in any transaction or arrangement with the Company or in which the Company is in any way interested;
  - 8.1.2 may hold any other office or employment with the Company (other than the office of Auditor);

- 8.1.3 may be a director or other officer of, or employed by, or be a party to any transaction or arrangement with or otherwise interested in any body corporate in which the Company is in any way interested;
  - 8.1.4 may, or any firm or company of which he is a member or director may, act in a professional capacity for the Company or any body corporate in which the Company is in any way interested (other than as Auditor); and
  - 8.1.5 shall not be accountable to the Company for any benefit which he receives or profits made as a result of anything permitted by **Article 8.1.1 to 8.1.4** and no such transaction or arrangement shall be liable to be avoided on the ground of any such interest or benefit.
- 8.2 Except for a vote under section 175(4) of the 2006 Act authorising any conflict of interest which the director or any other interested director may have or where the terms of authorisation of such conflict of interest provide that the director may not vote in situations prescribed by the Board when granting such authorisation, a director will be entitled to participate in the decision making process for voting and quorum purposes on any of the matters referred to in **Article 8.1.1 to 8.1.4** (Inclusive) and in any of the circumstances set out in Model Articles 14(3) and 14(4).
- 8.3 For the purposes of **Article 8.1**:
- 8.3.1 a general notice to the Board that a director is to be regarded as having an interest of the nature and extent specified in the notice in any transaction or arrangement in which a specified person or class of persons is interested shall be deemed to be a disclosure that the director has an interest in any such transaction of the nature and extent so specified;
  - 8.3.2 an interest of which a director has no knowledge and of which it is unreasonable to expect him to have knowledge shall not be treated as an interest of his; and
  - 8.3.3 an interest of a person who is for any purpose of the Statutes (excluding any statutory modification not in force at the date of adoption of these Articles) connected with a director shall be treated as an interest of the director and in relation to an alternate director an interest of his appointor shall be treated as an interest of the alternate director.
- 8.4 Model Articles 14(1), 14(2) and 14(5) shall not apply to the Company.
- 9. AUTHORISATION OF DIRECTORS' CONFLICTS OF INTEREST**
- 9.1 Any approval of a conflict of interest (other than a conflict of interest of the Investor Directors or the Chairman) pursuant to **Article 8** will be subject, in addition to board authorisation pursuant to section 175 of the 2006 Act, to obtaining Investor Consent and the fulfilment of any reasonable conditions attached to such Investor Consent. Any such board authorisation pursuant to section 175 of the 2006 Act which is given without obtaining Investor Consent or without the reasonable conditions attached to such Investor Consent being satisfied will be ineffective.
- 9.2 Any conflict of Interest of the Investor Directors or the Chairman may be authorised either by way of authorisation of the Board as set out at section 175 of the 2006 Act or by way of resolution of the holders. Any refusal of the Board to authorise such conflict of interest will not in any way affect the validity of a resolution of the holders to authorise such conflict of interest.
- 9.3 An Investor Director will not be in breach of his duty under sections 172, 173 and 175 of the 2006 Act or the authorisation given by this **Article 9** by reason only that he receives confidential information from a third party relating to a conflict of interest which has been authorised by this **Article 9** and either fails to disclose it to the directors or fails to use it in relation to the Company's affairs.

## 10. INVESTOR DIRECTORS AND CHAIRMAN

- 10.1 An Investor Majority may from time to time appoint up to two people to be directors each with the title of investor director (the "**Investor Directors**" which expression shall, where the context so permits, include a duly appointed alternate of such directors) and from time to time remove the Investor Directors from office, such appointment or removal to be evidenced by notice in writing to the Company in accordance with **Article 10.3**.
- 10.2 There shall not be more than two directors bearing the title of Investor Director in office at any time.
- 10.3 Any appointment or removal of an Investor Director shall be in writing served on the Company signed by an Investor Majority and shall take effect at the time it is served on the Company or produced to a meeting of the Board, whichever is earlier. Any such appointment or removal by a corporation may be signed on its behalf by its duly authorised representative.
- 10.4 Notice of meetings of the Board shall be served on any Investor Director who is absent from the United Kingdom at the addresses for service of notice on each Investor under the Investment Agreement.
- 10.5 Upon written request by an Investor Majority the Company shall procure that each or any of the Investor Directors is forthwith appointed as a director of any other member of the Group, to any committee of the Board or the board of any member of the Group.
- 10.6 In addition to the appointment rights set out in **Article 10.1** above, the Investor Majority shall be entitled, following consultation with the chief executive officer of the Group, to recommend a candidate for appointment as the independent non-executive chairman of the Company and of each Group Company ("**Chairman**") and to recommend the removal of any Chairman so appointed. The appointment and removal of any Chairman shall require the consent of the Board (not be unreasonably withheld or delayed). In respect of the appointment of any Chairman, in the event that the Board does not agree with any recommendation by the Investor Majority by the date falling three months following the date that the third Chairman candidate has been proposed by the Investor Majority (in good faith and following consultation with the chief executive officer of the Group), then the Investor Majority will be entitled to appoint and remove any person as Chairman without the consent of the Board.
- 10.7 If an Event of Default has occurred and an Investor Majority has served written notice on the Company pursuant to clause 12.1 of the Investment Agreement, the Investor Directors shall together be entitled to exercise such number of votes at any meeting of the Board or of any committee of which they are members which is equal to one vote more than the total number of votes exercisable by the other directors at such a meeting until:
- 10.7.1 the earliest date on which the circumstances giving rise to the relevant Event of Default have ceased to exist or have been remedied to the reasonable satisfaction of the Investor Majority; or
- 10.7.2 such earlier date as is notified by the Investor Majority by written notice to the Company.
- 10.8 If it appears in the reasonable opinion of the Investor Majority that the holders of B Ordinary Shares or C Ordinary Shares or any connected person of a holder of B Ordinary Shares or C Ordinary Shares (in whatever capacity) is in breach of any obligation which he owes to the Company or any Group Company (whether under this Agreement, the Articles, the Acquisition Agreement, Service Agreement or otherwise) or has misapplied or retained or become liable or accountable for any money or property of the Company or any Group Company, or has been guilty of any misfeasance or breach of any fiduciary or other duty in relation to the Company or any Group Company or is under any obligation to indemnify the Company or any Group Company against any liability then it is agreed that the prosecution of any right of action of the Company or any Group Company in respect of such matters shall be passed to the Investor Director who shall have full authority on behalf of the Company or the relevant Group Company to negotiate, litigate and settle any claim arising

from such matters and the parties hereto shall take all steps within their power to give effect to the provisions of this sub-clause provided that for the purpose of this **Article 10.8** at all times the Investor Director shall act reasonably and in good faith with regard for the best interests of the relevant Group Company. Each of the Company, Midco and Bidco hereby covenant (on its own behalf or on behalf of each Group Company) with each of the other parties that any monies or property which the Company or the relevant Group Company may recover or receive as a result of the operation of the foregoing provisions of this Article shall be applied by it in a proper and efficient manner and for its own benefit.

- 10.9 Without prejudice to any other rights that the Investor Majority may have under these Articles, and subject to the Investor Majority holding more than 50.1% of the issued share capital of the Company, the Investor Majority is entitled to appoint and remove from the Board and any committee of the Board or the board of any other Group Company such number of directors as it may direct, and upon removal, in the Investors' absolute discretion, to appoint other people in their place by notice to the Company in writing which shall take effect immediately upon receipt of the notice by the Company.

## **11. CASTING VOTE**

- 11.1 In the case of an equality of votes for and against a proposal considered at a meeting of the Board:

11.1.1 the Chairman (if appointed and eligible to vote on such proposal) shall have a casting vote; but

11.1.2 if no Chairman is appointed or the Chairman is not eligible to vote on such proposal, no other director shall have a second or casting vote.

- 11.2 Model Articles 13(1) and 13(2) shall not apply to the Company.

## **12. ALTERNATE DIRECTORS**

### **12.1 Appointment and removal of alternates**

- 12.1.1 Any director (the "**appointor**") may appoint and remove as an alternate director any other director, or, with Investor Consent (such Investor Consent not to be unreasonably withheld or delayed if the proposed appointee is a Manager), any other person, to:

12.1.1.1 exercise that director's powers; and

12.1.1.2 carry out that director's responsibilities,

in relation to participation in directors' meetings and the taking of decisions by the directors in the absence of the alternate director's appointor.

- 12.1.2 Any appointment or removal of an alternate director must be effected by notice in writing to the Company signed by the appointor, or in any other manner approved by the directors.

- 12.1.3 The notice must:

12.1.3.1 identify the proposed alternate director; and

12.1.3.2 in the case of a notice of appointment, contain a statement signed by the proposed alternate director that the proposed alternate director is willing to act as the alternate director of the director giving the notice.

## **12.2 Rights and responsibilities of alternate directors**

- 12.2.1 An alternate director has the same rights, in relation to participation in directors' meetings and the taking of decisions by the directors and in relation to directors' written resolutions, as the alternate director's appointor,
- 12.2.2 An alternate director may act as an alternate director for more than one appointor.
- 12.2.3 Except if these Articles specify otherwise, alternate directors:
  - 12.2.3.1 are deemed for all purposes to be directors;
  - 12.2.3.2 are liable for their own acts and omissions;
  - 12.2.3.3 are subject to the same restrictions as their appointors; and
  - 12.2.3.4 are not deemed to be agents of or for their appointors,and each alternate director shall be entitled to receive notice of all meetings of directors and of all meetings of committees of directors of which his appointor is a member.
- 12.2.4 A person who is an alternate director but not a director:
  - 12.2.4.1 may be counted as participating for the purposes of determining whether a quorum is participating (but only if that person's appointor is not participating); and
  - 12.2.4.2 may participate in any decision of the directors (but only if his appointor is an eligible director in relation to that decision, but does not participate).No alternate director may be counted as more than one director for such purposes.
- 12.2.5 A director who is also an alternate director is entitled, in the absence of his appointor, to a separate vote on behalf of his appointor, in addition to his own vote on any decision of the directors (provided that his appointor is an eligible director in relation to that decision), but shall not count as more than one director for the purposes of determining whether a quorum is present.
- 12.2.6 An alternate director is not entitled to receive any remuneration from the Company for serving as an alternate director except such part of the alternate director's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

## **12.3 Termination of alternate directorship**

- 12.3.1 An alternate director's appointment as alternate terminates:
  - 12.3.1.1 when the alternate director's appointor revokes the appointment by notice to the Company in writing specifying when it is to terminate;
  - 12.3.1.2 on the occurrence in relation to the alternate director of any event which, if it occurred in relation to the alternate director's appointor, would result in the termination of the appointor's appointment as a director;
  - 12.3.1.3 on the death of the alternate director's appointor; or



- 12.3.1.4 when the alternate director's appointor's appointment as a director terminates.

13. **ALTERNATE DIRECTORS' EXPENSES**

Model Article 20 shall be amended by the insertion of the words "(including alternate directors)" before the words "properly incur".

**SHARE RIGHTS**

14. **SHARE RIGHTS**

Save as otherwise provided in these Articles, the A Ordinary Shares, B Ordinary Shares, C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares, C6 Ordinary Shares and D Ordinary Shares shall be treated *pari passu* and as if they constituted one class of Share. The special rights attached to the A Ordinary Shares, B Ordinary Shares, C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares, C6 Ordinary Shares and D Ordinary Shares are as follows:

14.1 **Dividends**

14.1.1 Subject to **Article 14.1.2**, any profits which the Company determines to distribute in respect of any Financial Year shall, subject to the approval of the holders in general meeting and Investor Consent, be applied in distributing such profits amongst the holders of the Equity Shares then in issue *pari passu* according to the number of such Shares held by them respectively as if they constituted one class of Share.

14.1.2 The holders of the D Ordinary Shares (in that capacity) shall not be entitled to any such distribution as referred to in **Article 14.1.1** and any D Ordinary Shares shall not be counted for the purposes of calculating the amount of any such distribution to be received by any holder of Equity Shares.

14.2 **Capital**

14.2.1 Subject to **Article 14.2.2** on a return of capital, the surplus assets of the Company remaining after the payment of its liabilities the (the "**Surplus Assets**") shall distributed amongst the holders of the Equity Shares in proportion to the numbers of the Equity Shares held by them respectively (*pari passu* as if they constituted one class of Share).

14.2.2 On any return of capital that constitutes an Exit, the Surplus Assets shall distributed amongst the holders of the Equity Shares as follows:

14.2.2.1 the holders of C Ordinary Shares (in that capacity) shall be entitled to receive:

(a) the Pre-Ratchet Relevant Percentage of the Surplus Assets; and the amount of any Post-Ratchet Additional Amount not allocated

(b) to the holders of the D Ordinary Shares pursuant to **Article 14.2.2.2**

to be shared amongst the holders of the C Ordinary Shares *pro rata* to the number of C Ordinary Shares held by them;

14.2.2.2 each holder of D Ordinary Shares (in that capacity) shall be entitled to receive any Post-Ratchet Additional Amount on a *pro rata* basis in respect of each D Ordinary Share held by him; and

- 14.2.2.3 the holders of A Ordinary Shares and B Ordinary Shares (in that capacity) shall be entitled to receive the Surplus Assets not allocated to the holders of the C Ordinary Shares pursuant to **Article 14.2.2.1** or the D Ordinary Shares pursuant to **Article 14.2.2.2**, to be shared amongst the holders of the A Ordinary Shares and B Ordinary Shares pro rata to the number of A Ordinary Shares and/or B Ordinary Shares held by them (pari passu as if they constituted one class)

with any non-cash asset included in the Surplus Assets having a deemed value equal to the Cash Equivalent of such non-cash asset.

### 14.3 Voting

- 14.3.1 Subject to any rights or restrictions for the time being attached to any class or classes of Shares, and to **Articles 14.3.5, 14.5 and 14.3.5**, the holders of the Equity Shares shall be entitled to:

- 14.3.1.1 receive notice of, and to attend and speak, at any general meeting of the Company and/or any separate class meeting of the Company for Shares of the class they hold and each holder of Equity Shares who (being an individual) is present in person or by proxy or (being a corporation) is present by duly authorised representative or by proxy at any such meeting shall, on a show of hands or a poll, have one vote in respect of each Equity Share they hold (subject always to **Articles 14.3.2 and 14.3.5**); and

- 14.3.1.2 receive a copy of any written resolution circulated to the members of the Company and/or circulated to the holders of any class of Shares held by such holder and each holder of Equity Shares shall have one vote in respect of each Equity Share they hold in respect of such written resolution (subject always to **Articles 14.3.2 and 14.3.5**).

- 14.3.2 Notwithstanding any other provision of these Articles, in respect of any general meeting or written resolution of the Company:

- 14.3.2.1 the holders of the C2 Ordinary Shares (in that capacity) shall together be entitled to exercise an aggregate number of votes equal to 5% of the total number of votes exercisable by the holders of the Equity Shares (pro rata to the number of C2 Ordinary Shares held by each of them);

- 14.3.2.2 the holders of the C3 Ordinary Shares (in that capacity) shall together be entitled to exercise an aggregate number of votes equal to 5% of the total number of votes exercisable by the holders of the Equity Shares (pro rata to the number of C3 Ordinary Shares held by each of them);

- 14.3.2.3 the holders of the C4 Ordinary Shares (in that capacity) shall together be entitled to exercise an aggregate number of votes equal to 5% of the total number of votes exercisable by the holders of the Equity Shares (pro rata to the number of C4 Ordinary Shares held by each of them);

- 14.3.2.4 the holders of the C5 Ordinary Shares (in that capacity) shall together be entitled to exercise an aggregate number of votes equal to 5% or the total number of votes exercisable by the holders of the Equity Shares (pro rata to the number of C5 Ordinary Shares held by each of them); and

14.3.2.5 the holders of the C6 Ordinary Shares (in that capacity) shall together be entitled to exercise an aggregate number of votes equal to 5% of the total number of votes exercisable by the holders of the Equity Shares (pro rata to the number of C6 Ordinary Shares held by each of them).

14.3.3 Each holder of the Equity Shares shall be entitled to appoint more than one proxy to exercise all or any of his rights to attend and to speak and vote at a general meeting or at a separate class meeting of the Company provided that each proxy is appointed to exercise the rights attached to a different Equity Share or Equity Shares held by such holder.

14.3.4 If more than one proxy is appointed in respect of a different Equity Share or Equity Shares by a holder in accordance with **Article 14.3.3** but the document appointing the proxies does not specify to which Equity Share or Equity Shares the appointment relates, then the person first named as proxy in such document shall be the only proxy for such holder entitled to attend and vote at the relevant general meeting or separate class meeting.

14.3.5 Notwithstanding any other provision of these Articles, the D Ordinary Shares shall carry no votes and the holders thereof (in that capacity) shall not be entitled to receive notice of or to attend, speak or vote at any general meeting of the Company or to vote on any written resolution of the Company.

#### 14.4 Variation of Voting Rights

14.4.1 The provisions of **Article 14.4.2** shall apply:

14.4.1.1 If, at any time without Investor Consent, any holder (other than an Investor) or any former holder has transferred Shares in breach of the provisions of these Articles; or

14.4.1.2 If any holder of B Ordinary Shares, C Ordinary Shares and/or D Ordinary becomes a Leaver.

14.4.2 Unless an Investor Majority directs otherwise in writing, if the circumstances stated in **Article 14.4.1** have occurred:

14.4.2.1 the Shares which such holder holds or to which he is entitled; and

14.4.2.2 any Shares formerly held by such holder which have been transferred either in breach of the provisions of these Articles or in accordance with **Article 20.2**

shall cease to entitle the holder thereof (or any proxy) to receive notice of or to attend and vote (whether on a show of hands or on a poll) at any general meeting or at any separate class meeting of the Company or to receive a copy of or vote in respect of any written resolution of the Company from the date of judgement that any breach referred to at **Article 14.4.1.1** exists or the Cessation Date in respect of the relevant Leaver (as relevant) for the period specified in **Article 14.4.3**.

14.4.3 The provisions of **Article 14.4.2** shall continue to apply:

14.4.3.1 in the case of **Article 14.4.1.1** applying, for so long as such breach subsists and has not been remedied to the reasonable satisfaction of an Investor Majority;

14.4.3.2 in the case of **Article 14.4.1.2** applying, until such time as the relevant Shares have been transferred pursuant to the provisions of **Article 23**; and

- 14.4.3.3 notwithstanding any other provisions in these Articles, if any Leaver retains any B Ordinary Shares, C Ordinary Shares and/or D Ordinary Shares after the operation in full of the provisions of **Article 23**, whilst such holder (or any person who has acquired such Shares under a permitted transfer (directly or indirectly) under **Article 20.2**) continues to hold such Shares.

#### 14.5 **Swamping**

- 14.5.1 If an Event of Default has occurred (and a written notice has been served upon the Company by the Investor Majority requiring the same), the B Ordinary Shares, C1 Ordinary Shares and D Ordinary Shares shall cease to entitle the holders thereof (or any proxy) to receive notice of or to attend and vote (whether on a show of hands or on a poll) at any general meeting or at any separate class meeting of the Company or to receive a copy of or vote in respect of any written resolution of the Company).

- 14.5.2 The provisions of **Article 14.5.1** shall continue until:

- 14.5.2.1 the earliest date on which the circumstances giving rise to the relevant Event of Default have ceased to exist or have been remedied to the reasonable satisfaction of the Investor Majority; or
- 14.5.2.2 such earlier date as is notified by the Investor Majority by written notice to the Company.

#### 15. **INTERCREDITOR AGREEMENT**

The payment of any dividends or redemption of any Shares shall be subject to any provisions restricting the same in the Intercreditor Agreement.

#### 16. **EXIT**

- 16.1 In the event of a Relevant Sale and notwithstanding anything to the contrary in the terms and conditions governing such Relevant Sale, the selling shareholders shall procure that the proceeds in respect of such Relevant Sale (whenever received and with any non-cash or future, fixed or contingent consideration having a deemed value equal to the Cash Equivalent) together with any payments to be made to the shareholders which can reasonably be termed in the nature of consideration or inducement to participate in the Relevant Sale less the costs of the Relevant Sale attributable to the selling shareholders, shall be distributed amongst such selling shareholders as if the same were the distribution of Surplus Assets on a return of capital that constituted an Exit pursuant to **Article 14.2.2**.
- 16.2 In the event of a Relevant Asset Sale, the Board shall procure that the consideration paid for the assets subject to the Relevant Asset Sale (whenever received and with any non-cash or future, fixed or contingent consideration having a deemed value equal to the Cash Equivalent) together with all other assets of the Company and its subsidiaries not subject to the Relevant Asset Sale, shall be distributed to the shareholders as soon as is reasonably and legally practicable by way of a return of capital that constituted an Exit (subject to deduction for repayment of the Group's liabilities) pursuant to **Article 14.2.2**.
- 16.3 In the event of a Listing and immediately prior to and conditional upon such Listing, all shareholders shall enter into such reorganisation of the share capital of the Company (or, if applicable, the New Holding Company) as they may agree to ensure that immediately following such reorganisation each holder shall hold such number and class of shares in the Company (or, if applicable, the New Holding Company) that shall have an aggregate value (applying the same valuation used in the calculation of the Exit Capitalisation in respect of such listing) equal to the amount that each holder would have received if an amount equal to the Exit Capitalisation of such Listing had been distributed amongst such shareholders as a return of capital that constituted an Exit pursuant to **Article 14.2.2**.

17. **VARIATION OF RIGHTS**

17.1 Subject to **Articles 14.4.2, 14.5.1, 17.2 and 17.3**, the class rights attached to:

17.1.1 the A Ordinary Shares may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of at least three-quarters in nominal value of the A Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of A Ordinary Shares or with Investor Consent;

17.1.2 subject to Investor Consent, the B Ordinary Shares may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of at least three-quarters in nominal value of the B Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of B Ordinary Shares; and

17.1.3 subject to Investor Consent, the C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares, C6 Ordinary Shares and/or D Ordinary Shares may from time to time (whether or not the Company is being wound up) be varied or abrogated with the consent in writing of the holders of the holders of at least three quarters of the aggregate number of the C Ordinary Shares and the D Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the C Ordinary Shares and the D Ordinary Shares (as if they constituted one class of Share), save that no variation or abrogation shall be made to the voting rights or nominal value of the C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares and/or C6 Ordinary Shares without the consent in writing of the holders of the holders of at least three quarters of the aggregate number of the relevant class of C Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the relevant class of C Ordinary Shares.

17.2 Subject to **Article 14.4.2, 14.5.1 or 17.3**, if the proposed variation, amendment or replacement of the class rights attaching to the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and/or D Ordinary Shares (taking into account any other proposed variation, amendment or replacement of the class rights attached to the A Ordinary Shares, B Ordinary Shares, C Ordinary Shares and/or D Ordinary Shares which is to be made at the same time) is not discriminatory as between:

17.2.1 B Ordinary Shares (on the one hand) and A Ordinary Shares (on the other hand); or

17.2.2 C Ordinary Shares (on the one hand) and A Ordinary Shares (on the other hand)

the references to "*at least three quarters of*" and "*special resolution*" in **Article 17.1** above shall be deemed to be replaced with references to "*over one-half of*" and "*ordinary resolution*" (respectively), save that no variation or abrogation shall be made to the voting rights or nominal value of the C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares and/or C6 Ordinary Shares without the consent in writing of the holders of the holders of at least three quarters of the aggregate number of the relevant class of C Ordinary Shares or with the sanction of a special resolution passed at a separate class meeting of the holders of the relevant class of C Ordinary Shares.

17.3 In the event that the provisions of **Article 18.8** apply, the allotment of any Shares which will rank *pari passu* in all respects with any existing class of Shares or any Shares ranking ahead of any existing class of Shares, shall not constitute a variation or abrogation of the class rights attaching to any class of Shares other than the class rights of the holders of A Ordinary Shares.

17.4 The rights attached to A Ordinary Shares shall, with the intent that this **Article 17.4** shall create class rights attaching to such class of Share for the purposes of **Article 17.1**, be deemed to be varied by any of the actions referred to below each of which will require Investor Consent. The actions are:

- 17.4.1 any variation (including any increase) in the issued share capital of the Company or any Group Company or the creation or the granting of any options or other rights to subscribe for, or convert into, Shares or shares of any Group Company *or the variation of the rights attaching to the Shares or shares of any Group Company* save where such action is permitted pursuant to the terms of the Investment Agreement;
- 17.4.2 the reduction of the Company's share capital, share premium account, capital redemption reserve or any other reserve or the purchase by the Company of any of Its own Shares;
- 17.4.3 the holding of any Shares by the Company in treasury and the transfer by the Company of any such Shares out of treasury (save for those transfers of Shares out of treasury as specified at **Article 20.2.8**);
- 17.4.4 the amendment of any provisions of the Articles or the articles of association of any Group Company;
- 17.4.5 the redemption of any Loan Notes other than on a redemption in accordance with the terms of the relevant Loan Notes Instrument;
- 17.4.6 the capitalisation of any undistributed profits (whether or not the same are available for distribution and including profits standing to the credit of the reserve) or any sums standing to the credit of the share premium account or capital redemption reserve fund of the Company;
- 17.4.7 the taking of any steps to wind up the Company or any other Group Company other than in circumstances where failure to act would put the directors in breach of their statutory of fiduciary duties to the Company, its employees, creditors or shareholders;
- 17.4.8 any disposal of the whole or substantially the whole of the business of the Company or any Group Company or any of the shares in any Group Company;
- 17.4.9 the declaration, making or payment of any dividend or other distribution to holders other than as expressly permitted under the Articles;
- 17.4.10 any change in the accounting reference date of the Company;
- 17.4.11 the appointment or removal of the Auditors (other than the reappointment of the existing Auditors);
- 17.4.12 the appointment or removal of any director or chairman of the Company other than in accordance with **Article 10**;
- 17.4.13 the acquisition of any interest in any share in the capital of any company by any Group Company;
- 17.4.14 the establishment of or variation to any employee share option scheme;
- 17.4.15 the calling of a meeting of the Company to effect or approve any matter which would by virtue of this Article be a variation of the class rights of the A Ordinary Shares;
- 17.4.16 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 as required by the Facility Documents); or
- 17.4.17 any Listing.

17.5 For each such separate class meeting referred to in **Articles 17.1 and 17.2**, all the provisions of these Articles relating to general meetings of the Company (and to the proceedings at such general meetings) shall apply mutatis mutandis, but so that:

17.5.1 the necessary quorum shall be one holder of the relevant class present in person or by proxy or (being a corporation) by a duly authorised representative and holding or representing (excluding in each case any Shares held by the Company as treasury shares) not less than one-third in nominal value of the Issued Shares of the relevant class; and

17.5.2 every holder of Shares of the class shall be entitled on a poll or a show of hands to one vote for every such Share held by him.

17.6 For the purpose of this Article one holder present in person or by proxy or (being a corporation) by a duly authorised representative may constitute a meeting.

## **18. ALLOTMENT OF SECURITIES**

18.1 Subject always to **Articles 18.8 and 18.10**, the directors shall not allot any Shares or other Securities unless notice in writing is given to each holder specifying:

18.1.1 the number and classes of Shares which are proposed to be issued;

18.1.2 the number and type of any other Securities which are proposed to be issued;

18.1.3 the subscription amount payable in respect of each Share or other Security on such issue; and

18.1.4 any other material terms or conditions

and the procedure set out in **Articles 18.2 to 18.6** is followed.

18.2 The notice specified in **Article 18.1** shall invite each holder to state, in writing within 15 Business Days from the date of such notice (which date shall be specified therein), whether he/it is willing to subscribe for any, and (if so) how many, Shares or other Securities for the subscription price per Share or other Security stated in the notice specified in **Article 18.1**.

18.3 The Shares and/or other Securities proposed to be issued pursuant to **Article 18.1** shall be offered to each holder on the following basis:

18.3.1 in the case of a proposed issue of Equity Shares (or any instrument convertible into or option to acquire such Shares), then each holder will be offered that proportion of such newly issued Equity Shares or other instruments or rights to subscribe for the same (the "**New Equity Shares**") as the number of Equity Shares held by that holder prior to the issue of the New Equity Shares ("**Old Equity Shares**") bears to the total number of Old Equity Shares in issue immediately prior to the issue of the New Equity Shares with each holder being offered each class of New Equity Shares on a pro rata basis as if all Old Equity Shares were a single class; or

18.3.2 in the case of a proposed issue of any other Securities ("**New Securities**"), then each holder will be offered that number of New Securities which the number of Old Equity Shares held by such holder immediately prior to the issue of the New Securities bears to the total number of Old Equity Shares which were in issue at that time (with each holder being offered New Securities of the same class or with the same rights unless the Board resolves otherwise with Investor Consent).

The proportions in which each holder is offered any Shares or other Securities pursuant to **Articles 18.3.1 and 18.3.2** shall for the purposes of these Articles be that holder's "Proportionate Element".

- 18.4 It shall be open to each such holder to specify if he/it is willing to subscribe for: (i) only for part of his Proportionate Element; or (ii) Shares and/or other Securities in excess of his Proportionate Entitlement ("**Additional Securities**") and, if the holder does so specify, he shall state the number of Securities and other Securities he is willing to subscribe for but provided always that:
- 18.4.1 a holder may not subscribe for only one class of Share or other Securities where more than one class is offered as part of the same offer round and if subscribing only for part of those offered may only accept the offer across those different classes on a pro rata basis; and
- 18.4.2 to the extent such offer is made in respect of Equity Shares (or any instrument convertible into or option to acquire Equity Shares) then to avoid doubt Equity Shares shall only be issued to holders in those classes (and proportions in which they hold Equity Shares as between such classes) in which they are entitled to receive Equity Shares as set out in **Article 18.3.1**.
- 18.5 Within 10 Business Days of the expiry of the invitation made pursuant to the notice given under **Article 18.1** (or sooner if all holders have responded to the invitation and all the Shares and/or other Securities proposed to be issued have been accepted in the manner provided for in **Articles 18.3** and **18.4**), the Board shall allocate the Shares and/or other Securities to be issued in the following manner:
- 18.5.1 If the total number of Shares and/or other Securities applied for is equal to or less than the available number of Shares and/or other Securities to be issued, the Company shall allocate the number applied for in accordance with the applications (subject always to **Article 18.4**) and shall dispose of any excess Shares and/or other Securities in such manner as the Board may consider (with Investor Consent) to be most beneficial to the Company (provided that if such disposal has not occurred within 30 Business Days of the allocation of the Shares and/or other Securities applied for pursuant to this **Article 18.5.1** and/or if such excess Shares and/or other Securities are intended to be issued for a subscription price lower than that stated in the notice specified in **Article 18.1**, such excess Shares and/or other Securities must first be re-offered to each holder in accordance with **Article 18.1**); or
- 18.5.2 If the total number of Shares and/or other Securities applied for is more than the available number of Shares and/or other Securities to be issued, each holder shall be allocated his Proportionate Element (or such lesser number of Shares and/or other Securities to be issued for which he may have applied) or, in the event of competition, (as nearly as may be) to each holder applying for Additional Securities in his/its Proportionate Element
- and in either case the Company shall forthwith give notice of each such allocation (an "**Issue Notice**") to each of the persons to whom Shares and any other Securities are to be issued (a "**Member Subscriber**") and shall specify in the Issue Notice the time (being not later than 10 Business Days after the date of the Issue Notice) at which the allotment of the Shares and/or other Securities shall be made.
- 18.6 Upon such allocations being made as set out in **Article 18.5**, the Board shall be bound, on payment of the relevant subscription price, to issue the Shares and/or other Securities comprised in the Issue Notice to the Member Subscriber named therein at the time therein specified free from any lien, charge or encumbrance.
- 18.7 Notwithstanding any other provisions of this **Article 18**, no Shares and/or other Securities shall be allotted to any party not bound by the Investment Agreement unless that party has first entered into a Joint Election if required to do so by the Investor Majority and a deed of adherence to the Investment Agreement if so required by the Investment Agreement.
- 18.8 The provisions of **Articles 18.2** to **18.6** shall have no application:



- 18.8.1 to any holder to whom the provisions of **Article 14.4.2** apply (as detailed in **Article 14.4.1**);
  - 18.8.2 if the Investor Majority considers that a new issue of Shares or other Securities is required in circumstances where an Event of Default has occurred and is persisting (other than any Event of Default described in **paragraph (c)** of the definition of Event of Default) subject always to compliance with **Article 18.8**; or
  - 18.8.3 to the allotment or issue of any Shares or Securities as consideration in whole or in part for the acquisition by any member of the Group of shares or other securities in a body corporate or the whole or part of any business or undertaking (provided that such acquisition and the allotment or issue of any Shares or Securities as consideration for such acquisition has been approved by the Board with Investor Consent).
- 18.9 If an Issue of Securities pursuant to **Article 18.8.2** (a "**Non Pre-emptive Issue**") is made, the Company shall within 20 Business Days of such Non Pre-Emptive Issue make an offer of Securities on the following basis:
- 18.9.1 all Equity Shareholders who did not participate in the Non Pre-Emptive Issue ("**Non-Participants**") shall be offered the opportunity to subscribe for such number of additional Securities (as nearly as possible without involving fractions) as would mean that, if fully taken up, the Non-Participants would each have the same proportion (as nearly as possible) of Securities as they had immediately prior to the Non Pre-emptive Issue;
  - 18.9.2 such additional Securities shall be offered to the Non-Participants on the same terms and at the same price per Security as the Securities were allotted pursuant to the Non Pre-Emptive Issue;
  - 18.9.3 the offer shall be conditional on such Non-Participants subscribing for the same proportion of each class or series of Securities (as nearly as possible without involving fractions) per Equity Share held by them as the relevant participants of the Non Pre-Emptive Issue; and
  - 18.9.4 the offer shall be open for acceptance for at least 20 Business Days.
- 18.10 Notwithstanding anything herein to the contrary, the provisions in this **Article 18** shall not apply to any issue of any Shares comprising part of the Reserved Shares in accordance with clause 6.2 of the Investment Agreement. If, as at the date of an Exit, any Reserved Shares have not been allotted and issued and such Reserved Shares are:
- 18.10.1 C Ordinary Shares, such Reserved Shares shall:
    - 18.10.1.1 conditional on and immediately prior to the Exit taking place, be allotted and issued to the Managers (other than any Manager who is a Leaver) in such proportions as shall be proposed by the chief executive officer of the Group and approved by the Remuneration Committee or, failing such approval, in such proportions as the aggregate number of C Ordinary Shares held by each Manager (other than any Manager who is a Leaver) bears to the total number of C Ordinary Shares then in issue (excluding for these purposes any C Ordinary Shares held by a Leaver or that are Sale Shares that are held by the Warehouse or otherwise on trust for and/or for the benefit of any employees or directors (including former employees and/or directors of any Group Company immediately prior to such Exit); or
    - 18.10.1.2 if proposed by the chief executive officer of the Group (with the approval of the Remuneration Committee), remain unissued; or

- 18.10.2 D Ordinary Shares, such Reserved Shares shall remain unissued unless otherwise proposed by the chief executive officer of the Group (with the approval of the Remuneration Committee).
- 18.11 In accordance with section 567(1) and (2) of the 2006 Act, sections 561(1) and 562(1) to (5) (inclusive) of the 2006 Act shall not apply to the Company.
- 18.12 References in **Article 18** to the allotment of shares do not include the transfer of any Shares by the Company out of treasury by way of sale or transfer (provided that such Shares were first allotted and issued on or prior to the Investment Date or otherwise in accordance with this **Article 18**).
- 18.13 Notwithstanding any other provision in these Articles, the maximum number of D Ordinary Shares that can be in issue at any time is 80.

## **TRANSFER OF SHARES**

### **19. GENERAL**

- 19.1 No transfer of any Share shall be made or registered unless such transfer complies with the provisions of these Articles and the transferee has first entered into a Joint Election if required to do so by the Investor Majority and a deed of adherence to the Investment Agreement if so required by the Investment Agreement. Subject thereto, the Board shall sanction any transfer so made unless (i) the registration thereof would permit the registration of a transfer of Shares on which the Company has a lien (ii) the transfer is to a minor or (iii) the Board is otherwise entitled to refuse to register such transfer pursuant to these Articles.
- 19.2 For the purposes of these Articles the following shall be deemed (but without limitation) to be a transfer of Shares:
- 19.2.1 any direction (by way of renunciation or otherwise) by a holder entitled to an allotment or transfer of Shares that a Share be allotted, issued or transferred to some person other than himself; and
- 19.2.2 any sale or any other disposition of any legal or equitable interest in a Share
- (including any voting right attached to it), (i) whether or not by the relevant holder, (ii) whether or not for consideration, and (iii) whether or not effected by a written instrument.

### **20. PERMITTED TRANSFERS**

Notwithstanding the provisions of any other Article, the transfers set out in this **Article 20** shall be permitted without restriction and the provisions of **Article 22** (Change of Control) shall have no application in respect of any such transfer or transfers.

#### **20.1 Permitted transfers by Investors**

- 20.1.1 Any Investor (the "**Original Holder**") may transfer all or any of its Shares to an Investor Associate or to any other member of its Investor Group but if such Investor Associate or any other member of its Investor Group whilst it is a holder of such Shares shall cease to be an Investor Associate or other member of the Investor Group of the Original Holder it shall, within 20 Business Days of so ceasing, transfer the Shares held by it to the Original Holder or any other Investor Associate or to any other member of the Investor Group of the Original Holder and failing such transfer a Transfer Event will be deemed to have occurred in accordance with **Article 23**.
- 20.1.2 Any Investor may transfer its Shares in accordance with clause 15 of the Investment Agreement (Syndication) or to the Chairman.

## 20.2 Permitted Transfers by non-Investors

20.2.1 Subject to **Articles 20.2.2 to 20.2.6** inclusive, any holder who is an individual may at any time transfer Shares held by him to a person or persons shown to the reasonable satisfaction of the Board (with Investor Consent not to be unreasonably withheld or delayed) to be:

20.2.1.1 a Family Member of his; or

20.2.1.2 trustees to be held under a Family Trust in relation to that Individual.

20.2.2 Subject to **Article 20.2.4**, no Shares shall be transferred under **Article 20.2.1** by an individual who previously acquired those Shares by way of transfer under **Article 20.2.1** save to another individual who is a Family Member of the original holder of such Shares or to trustees to be held under a Family Trust in relation to the original holder of such Shares.

20.2.3 No transfer of Shares shall be made by a holder under **Article 20.2.1**:

20.2.3.1 in the case of a transfer under **Article 20.2.1.2**, unless Investor Consent has been provided to the Company (such consent not to be unreasonably withheld or delayed) that the Investors are satisfied:

(a) that none of the costs incurred in establishing or maintaining the relevant Family Trust will be payable by any member of the Group; and

(b) with the terms of the instrument constituting such trust, with the identity of the trustees, with the power of control over voting powers conferred by the relevant Shares the subject of the trust and with the signing authority granted pursuant to such arrangements in relation to such Shares (which to the extent permissible by applicable law shall be granted to the original holder of the Shares);

20.2.3.2 in the case of a transfer under **Article 20.2.1.1**, unless the transferee of such Shares has granted a power of attorney to the original holder of the Shares on terms acceptable to the Investor Majority which provides the original holder with the power to exercise all rights in relation to the Shares; and/or

20.2.3.3 If the proposed transfer will result in 50% or more by number of the Shares originally held by the holder being held by that holder's Family Trust and Family Members.

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

20.2.4.1 those Shares may, on any change of trustees, be transferred by those trustees to any new trustee of that Family Trust whose identity has been approved by an Investor Consent;

20.2.4.2 those Shares may at any time be transferred by those trustees to the settlor of that trust or any person to whom that settlor could have transferred them under **Article 20.2.1** if he had remained the holder of them; and

20.2.4.3 if any of those Shares cease to be held under a Family Trust (other than by virtue of a transfer made under **Articles 20.2.4.1** or **20.2.4.2**), a Transfer Event will be deemed to have occurred in accordance with **Article 23**.

20.2.5 If:

20.2.5.1 any person has acquired Shares as a Family Member of a holder by way of one or more transfers permitted under this **Article 20.2**;

20.2.5.2 that person ceases to be a Family Member of that holder

that person shall forthwith transfer all the Shares then held by that person back to that holder, for such consideration as they agree, within 20 Business Days of the cessation, or, failing such transfer within that period, a Transfer Event will be deemed to have occurred in accordance with **Article 23**.

20.2.6 If the personal representatives of a deceased holder are permitted under these Articles to become registered as the holders of any of the deceased holder's Shares and elect to do so, those Shares may at any time be transferred by those personal representatives under **Article 20.2** to any person to whom the deceased holder could have transferred such Shares under this Article if he had remained the holder of them. No other transfer of such Shares by personal representatives shall be permitted under this **Article 20**.

20.2.7 The trustees of any Employee Trust may sell or transfer any Shares held by them to the beneficiaries of such Employee Trust with the consent of the Remuneration Committee (with Investor Consent).

20.2.8 The Company may sell or transfer any Shares held by it as treasury shares to such person or persons identified by the Investors with Investor Consent.

### 20.3 **Permitted Transfers by all Shareholders**

20.3.1 Any holder may at any time transfer any Shares, in accordance with the provisions of the Statutes, to the Company with Investor Consent.

20.3.2 Any holder (other than an Investor) may at any time transfer all or any of his Shares to any other person with Investor Consent.

20.3.3 Any Shares may be transferred pursuant to **Article 22.2** (Tag along), **Articles 22.5** and **22.6** (Drag along) and/or **Article 23** (Compulsory Transfers).

## 21. **VOLUNTARY TRANSFERS**

Except as permitted under **Article 20** (Permitted Transfers) or as required under **Article 22** (Change of Control) or **Article 23** (Compulsory Transfers), no transfer of any Shares shall be permitted (nor any sale or transfer of any beneficial title to Shares or any other interest in Shares) to any person and the Board shall refuse to register any proposed transfer of Shares made in breach of this **Article 21** without Investor Consent (provided that any such transfer with Investor Consent shall be subject to this provisions of **Article 22.2** (Tag Along)).

## 22. **CHANGE OF CONTROL**

22.1 The provisions of **Articles 22.2** and **22.5** shall not apply to any transfer of Shares pursuant to **Article 20** (other than **Article 20.3.3**).

### **Tag along**

22.2 Subject to **Article 22.1**, if the effect of any transfer of Shares by a Seller (or any series of transfers of Shares by connected Sellers (which, in respect of any Seller that is an Investor, would include any transfer by another Investor that is an Investor Associate of that first Investor)) would, if completed, result in:

- 22.2.1 the transferee together with persons acting in concert or connected with that transferee obtaining a Controlling Interest (excluding, to avoid doubt, a Listing); and/or
- 22.2.2 the person or persons who (together) held at least 50.1% of the A Ordinary Shares prior to such transfer ceasing to (together) hold at least 50.1% of the A Ordinary Shares

(a "**Tag Trigger Transfer**") the Seller shall, as a pre-condition to completion of the Tag Trigger Transfer and/or the Tag Trigger Transfer being registered by the Company, procure the making by the relevant transferee (the "**Tag Purchaser**") of a Tag Along Offer to each of the other holders of Shares (the "**Tag Sellers**") by written notice (the "**Tag Along Notice**") at least 20 Business Days prior to the intended date of completion of the Tag Trigger Transfer. Each Tag Seller shall be bound within 20 Business Days of receipt of the Tag Along Notice (or within such longer period as the Tag Along Notice may specify) either to accept or reject such Tag Along Offer in writing (and in default of so doing shall be deemed to have rejected the Tag Along Offer). Until such Tag Along Offer has been made and the transfer of the relevant Shares held by all those Tag Sellers accepting the Tag Along Offer completed in accordance with the terms of the Tag Along Offer, the Board shall not sanction or approve the making and registration of the relevant Tag Trigger Transfer.

22.3 "**Tag Along Offer**" means an unconditional offer, open for acceptance for not less than 20 Business Days from the date of receipt of the Tag Along Notice, to purchase such proportion of (i) Shares held by each Tag Seller and (ii) any Shares for which each Tag Seller may subscribe, as is equal to the proportion of Shares that the Seller is proposing to transfer bears to the total number of Shares held by such Seller prior to the transfer on the following terms:

- 22.3.1 free from all liens, charges and encumbrances;
- 22.3.2 at a cash price per Share equal to the higher of:
  - 22.3.2.1 on the same terms as the Tag Trigger Transfer (subject to **Articles 22.3.2 to 22.3.3** below);
  - 22.3.2.2 the price per Share payable in respect of the Tag Trigger Transfer; and
  - 22.3.2.3 the highest price per Share paid or to be paid by any transferee referred to in **Article 22.2** (or any person with whom such transferee is connected or acting in concert) for Shares within the period of one year ending on the proposed date of completion of the Tag Trigger Transfer

subject to adjustment to ensure that the aggregate proceeds of the Tag Trigger Transfer and the sale of Shares by the Tag Sellers in accordance with **Article 22.2** are distributed in accordance with **Article 16.1**;

- 22.3.3 completion of the purchase of the relevant shares shall occur on or prior to the proposed date of completion of the Tag Trigger Transfer;
- 22.4 In the event of disagreement, the calculation of the relevant Tag Along Offer price shall be referred to the Independent Accountant and **Article 32** shall apply (mutatis mutandis).

#### **Drag along**

- 22.5 Subject to **Article 22.1**, If the holders of more than 50.1% of the A Ordinary Shares (in **Articles 22.5** and **22.6**, the "**Investor Sellers**") wish to transfer all their Shares ("Investor Sellers' Shares") to any independent/unconnected person (the "**Buyer**"), pursuant to the terms of a bona fide arm's length transaction (a "**Drag Offer**"), then the Investor Sellers shall also have the option (the "**Drag Along Option**"), exercisable by the Investor Sellers giving written notice to that effect (a "**Drag Along Notice**"), to require

all other holders of Shares and any persons who would become holders of Shares upon the exercise of any options, warrants or other rights to subscribe for Shares which exist at the date the Drag Along Notice is given (the "**Called Shareholders**"), to transfer all the Shares held by the Called Shareholders (including any such Shares issued or to be issued pursuant to any options, warrants or rights to subscribe existing at the date the Drag Along Option is exercised) (together the "**Called Shares**") to the Buyer, or as the Buyer directs in accordance with and subject to the following terms (which must be specified in the Drag Along Notice to be given by the Investor Sellers to each Called Shareholder):

22.5.1 the sale and purchase of the Called Shares and the Investor Sellers' Shares will be completed on the same date (to be specified in the Drag Along Notice) and, subject to **Article 22.5.6** below, on the same terms (and completion of the sale and purchase of the Called Shares will be conditional upon completion of the sale and purchase of the Investor Sellers' Shares);

22.5.2 the Called Shareholders will be required to transfer all their Called Shares free from all liens, charges and encumbrances;

22.5.3 the price per Called Share at which the Called Shares are to be transferred shall be equal to the higher of:

22.5.3.1 the price per Investor Seller Share proposed to be paid by the Buyer to the Investor Sellers; and

22.5.3.2 the highest price per Share paid or to be paid by the Buyer (or any person with whom the Buyer is connected or acting in concert) for Shares within the period of one year ending on the proposed date of completion of the sale of the Investor Sellers' Shares

subject to adjustment to ensure that the aggregate proceeds of the sale of the Investor Sellers' Shares and the sale of the Called Shares are distributed in accordance with **Article 16.1**;

22.5.4 the consideration payable for the Called Shares shall be in the same form (or combination of forms in the same proportions) as that offered to the Investor Sellers in respect of the transfer of the Investor Sellers' Shares (and details of the form of such consideration shall be stated in the Drag Along Notice);

22.5.5 the Called Shareholders shall not be required to give any representations, covenants, indemnities, warranties or other obligations to or in favour of the Buyer (or its nominee) other than warranties in respect of title to the Called Shares and capacity to contract; and

22.5.6 the only documents required to be executed by the Called Shareholder will be:

22.5.6.1 a stock transfer form in respect of the Called Shares in favour of the Buyer (or its nominee); and

22.5.6.2 a sale agreement or form of acceptance (to the extent required by the Buyer) containing warranties in respect of the Called Shareholder's title to the Called Shares and its capacity to contract

and the time period within which such documents are required to be delivered to the Company shall be specified in the Drag Along Notice.

22.6 Upon any person, following the issue of a Drag Along Notice, becoming a holder of Called Shares pursuant to the exercise of any option, warrant or other right to subscribe for or acquire Called Shares ("**a New Member**"), a Drag Along Notice, on the same terms as the previous Drag Along Notice, shall be deemed to have been served upon the New Member who shall thereupon be bound to sell and transfer all such Called Shares acquired by him to the Buyer or as the Buyer may direct and the provisions of **Article 22.5** shall apply mutatis mutandis to the New Member save that completion of the sale of such Called Shares

shall take place forthwith upon the Drag Along Notice being deemed served on the New Member or, if later, upon the date of completion under the previous Drag Along Notice.

22.7 If the Called Shareholders (or any of them which shall include any New Member) shall make default in transferring their Called Shares within any time period specified in the Drag Along Notice (including any Called Shares issued pursuant to any options, warrants or rights to subscribe existing at the date of the Drag Along Notice once exercised) in accordance with the provisions of any Drag Along Notice and pursuant to **Articles 23.5 and 23.6**:

22.7.1 the holder making such default shall be bound, on payment of the relevant consideration, to transfer the Called Shares comprised in the Drag Along Notice to the Buyer named therein at the time and place therein specified free from any lien, charge or encumbrance;

22.7.2 if the holder makes such default in so doing:

22.7.2.1 the Company, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the relevant holder with full power to give, execute, complete and deliver in the name and on behalf of the holder making such default:

(a) a transfer of the relevant Called Shares to the Buyer; and

(b) all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Called Shares to proceed

(save that nothing in this **Article 22.7.2.1** shall entitle the appointed agent or attorney to exercise any voting rights in respect of any C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares, C5 Ordinary Shares and/or C6 Ordinary Shares);

22.7.2.2 the Company may receive and give a good discharge for the relevant consideration on behalf of the holder making such default and (subject to the transfer being duly stamped) enter the name of the Buyer in the register of members as the holder or holders by transfer of the Called Shares so purchased by him or them; and

22.7.2.3 the Company shall forthwith pay any cash part of the relevant consideration into a separate bank account in the Company's name and shall hold such cash consideration and any non-cash element of the relevant consideration on trust (but without interest) for the holder making such default until he shall deliver up his certificate or certificates for the relevant Called Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the relevant consideration.

22.8 The transaction fees, costs and expenses (including the cost of any premium for any transaction related insurance) properly and reasonably incurred by the Investor Sellers and the Called Shareholders that are attributable to the transfer of Shares (and any other applicable Securities) made in accordance with **Articles 22.5 to 22.7** shall be borne by each of the Investor Sellers and the Called Shareholders on a pro rata basis to the number of Shares held by each of them. An amount equal to the Called Shareholders' proportionate share of such fees, costs and expenses shall, if the Investor Majority so requires, be deducted by the Company from the amount of consideration which the Called Shareholders are entitled to receive for their Called Shares (and shall be used to pay their proportionate share of such fees, costs and expenses).

- 22.9 A Drag Along Notice shall be served in accordance with **Article 33**.
- 22.10 A Drag Along Notice may be revoked at any time prior to the completion of the sale of the Called Shares of a Called Shareholder by the service of a written notice by the Investor Sellers on the Called Shareholder (provided that the Drag Along Notices issued to each other Called Seller have also been revoked).

**23. COMPULSORY TRANSFERS**

23.1 In this **Article 23**, a "**Transfer Event**" means:

- 23.1.1 a holder making any arrangement or composition with his creditors generally; or
- 23.1.2 a holder of B Ordinary Shares and/or C Ordinary Shares and/or D Ordinary Shares becoming a Leaver;
- 23.1.3 any Shares held by trustees under a Family Trust ceasing to be held under a Family Trust (other than by virtue of a transfer made under **Articles 20.2.4.1** or **20.2.4.2**); or
- 23.1.4 a holder failing to make a transfer of Shares required by **Articles 20.1.1** or **20.2.5**.

23.2 An Investor Majority may, within 12 months from the date of the Transfer Event serve notice on the Company and the relevant holder ("**Compulsory Seller**") notifying them that the mandatory transfer provisions of this **Article 23** shall apply (provided always that, in respect of a Transfer Event described in **Article 23.1.3** or **23.1.4**, the circumstances giving rise to such Transfer Event are continuing and have not been rectified on the date of such notice). Upon the date of service of such notice (as determined in accordance with **Article 33**), the Compulsory Seller (and, in the case of a Transfer Event pursuant to **Article 23.1.2**, any other holder who has acquired Shares from him under a permitted transfer (directly or by means of a series of two or more transfers) under **Article 20** (excluding **Article 20.3.3** for these purposes)) shall all be deemed to have immediately given notice to the Company (a "**Compulsory Transfer Notice**") in respect of:

- 23.2.1 In the case of a Transfer Event pursuant to **Article 23.1.1**, all the Shares held by such holder;
- 23.2.2 in the case of a Transfer Event pursuant to **Article 23.1.2** where the relevant Leaver is:
- 23.2.2.1 a Good Leaver, Intermediate Leaver or Bad Leaver the C Ordinary Shares and/or the D Ordinary Shares held by such Leaver (or other holder who has acquired Shares from him under a permitted transfer under **Article 20**); or
- 23.2.2.2 a Very Bad Leaver, all the Shares held by such Leaver (or other holder who has acquired Shares from him under a permitted transfer under **Article 20**);
- 23.2.2.3 in the case of a Transfer Event pursuant to **Article 23.1.3**, the Shares that have ceased to be held under a Family Trust; and
- 23.2.2.4 in the case of a Transfer Event pursuant to **Article 23.1.4**, the Shares that were required to be transferred by **Articles 20.1.1** or **20.2.5**

(the "**Sale Shares**"). The Sale Shares shall be sold together with all rights attaching thereto as at the date of the Compulsory Transfer Notice.

23.3 For the purpose of **Article 23.1.2**, the date upon which a relevant holder becomes a Leaver ("**Cessation Date**") shall be:



- 23.3.1 where a contract of employment or directorship is terminated by the employer by giving notice to the employee of the termination of the employment or directorship, the date of that notice (whether or not a payment is made by the employer in lieu of all or part of the notice period required to be given by the employer in respect of such termination);
- 23.3.2 where a contract of employment or directorship is terminated by the employee by giving notice to the employer of the termination of the employment or directorship, the date of that notice;
- 23.3.3 save as provided in **Article 23.3.1** where an employer or employee wrongfully repudiates the contract of employment and the other accepts that the contract of employment has been terminated, the date of such acceptance;
- 23.3.4 where a contract of employment or directorship is terminated for any reason other than in the circumstances set out in **Articles 23.3.1 to 23.3.2** (inclusive) above, the date on which the termination occurs.
- 23.4 The price at which the Sale Shares shall be transferred pursuant to the Compulsory Transfer Notice (the "**Compulsory Sale Price**") shall be:
- 23.4.1 subject to **Article 23.4.5** in the case of a Bad Leaver, their Fair Value or, if less, their Issue Price;
- 23.4.2 subject to **Article 23.4.5** in the case of a Very Bad Leaver, £1 in aggregate for all Sale Shares held by him;
- 23.4.3 subject to **Article 23.4.5** in the case of an Intermediate Leaver, the amount determined as follows:
- 23.4.3.1 the Fair Value in respect of the Vested Portion of the Leaver's Sale Shares as indicated in column (2) of the table below (rounded up to two decimal places); and
- 23.4.3.2 the Fair Value or, if less, the Issue Price in respect of the Unvested Portion of the Leaver's Sale Shares as indicated in column (3) of the table below (rounded down to two decimal places)

In each case dependant on the period of time elapsed between the Investment Date (or, in the case of a person who is not a shareholder at, but becomes a shareholder after, the Investment Date, the date on which he first became a shareholder) (the "**Start Date**") and the Cessation Date (as indicated in column (1) of the table below) and provided always that the Vested Portion shall be deemed to be 100% in the event of an Exit.

(1)	(2)	(3)
Cessation Date	Vested Portion (%)	Unvested Portion (%)
Before the date falling 18 months after of the Start Date	0	100
On or after the date falling 18 months after the Start Date but before the date falling 36 months after the Start Date	$25 + (25 * (A/365))$	$75 - (25 * (A/365))$
On or after the date falling 36 months after the Start Date but before the date falling 48 months after the Start Date	$50 + (25 * (B/365))$	$50 - (25 * (B/365))$

On or after the date falling 48 months after the Start Date but before the date falling 60 months after the Start Date	$75 + (25 * (C/365))$	$25 - (25 * (C/365))$
On or after date falling 60 months after the Start Date	100	0

Where:

A = the number of days which have elapsed since the date falling 18 months after of the Start Date

B = the number of days which have elapsed since the date falling 36 months after of the Start Date

C = the number of days which have elapsed since the date falling 48 months after of the Start Date; or

- 23.4.4 subject to **Article 23.4.5** in all other cases (including, for the avoidance of doubt, in the case of a Good Leaver), their Fair Value;
- 23.4.5 the Compulsory Sale Price in respect of any D Ordinary Shares that are included in the Sale Shares shall be £1.00 in aggregate for all D Ordinary Shares included in the Sale Shares.
- 23.5 No Compulsory Transfer Notice once given in accordance with these Articles may be withdrawn unless the Investor Majority approves such withdrawal.
- 23.6 The Company shall be constituted as the agent of the Seller with effect from the date of the Compulsory Transfer Notice for the sale of the Sale Shares upon the following terms:
- 23.6.1 the price for each Sale Share is the Compulsory Sale Price; and
- 23.6.2 the Sale Shares are to be sold free from all liens, charges and encumbrances together with all rights attaching to them.
- 23.7 Within 15 Business Days of the date of Compulsory Transfer Notice (or, if later, the date falling two Business Days after the date on which the Fair Value of the Sale Shares is agreed or determined), the Sale Shares shall be offered by the Company by written notice (the "**Offer Notice**") to the following persons upon the terms set out in **Article 23.6**:
- 23.7.1 in respect of any Sale Shares that are A Ordinary Shares, to the holders of the A Ordinary Shares (other than the Compulsory Seller) pro rata to their holdings of A Ordinary Shares;
- 23.7.2 in respect of any Sale Shares that are B Ordinary Shares, to the holders of the B Ordinary Shares (other than the Compulsory Seller or any Leaver) pro rata to their holdings of B Ordinary Shares;
- 23.7.3 in respect of any Sale Shares that are C Ordinary Shares, to the Warehouse and/or the Approved Transferees in such numbers and proportions as the Remuneration Committee shall direct; and
- 23.7.4 in respect of any Sale Shares that are D Ordinary Shares, to the Warehouse and/or Approved Transferees in such numbers and proportions as the chief executive officer of the Group shall direct (subject to the approval of the Remuneration Committee).
- 23.8 In respect of any Sale Shares that are A Ordinary Shares or B Ordinary Shares, a person to whom such Sale Shares were offered pursuant to **Article 23.7**, may state in writing

within 20 Business Days from the date of the relevant Offer Notice whether he is willing to purchase:

- 23.8.1 some or all of his pro rata entitlement to the relevant Sale Shares (as specified in **Article 23.7.1** or **23.7.2** (as relevant) ("**Proportionate Entitlement**")); and
  - 23.8.2 the number of Sale Shares in excess of his Proportionate Entitlement ("**Excess Sale Shares**") he is willing to purchase (if any).
- 23.9 In respect of any Sale Shares that are A Ordinary Shares or B Ordinary Shares, within three Business Days of the expiry of the 20 Business Day period set out in **Article 23.8** (or sooner if all persons to which the relevant Sale Shares were offered pursuant to **Article 23.7** have responded to the invitation and all the Sale Shares shall have been accepted in the manner provided in **Article 23.8**), the Board shall allocate the relevant Sale Shares in the order of priorities set out in **Article 23.7** and subject thereto in the following manner:
- 23.9.1 if the total number of Sale Shares applied for is equal to or less than the available number of Sale Shares the Company shall allocate the number applied for in accordance with the applications; or
  - 23.9.2 if the total number of Sale Shares applied for is more than the available number of Sale Shares:
    - 23.9.2.1 each holder shall be allocated his Proportionate Entitlement (or such lesser number of Sale Shares for which he may have applied); and
    - 23.9.2.2 applications for Excess Sale Shares shall be allocated in accordance with such applications or, in the event of competition, (as nearly as may be) to each holder applying for Excess Shares in the proportion which Shares held by such holder bears to the total number of Shares held by all such holders applying for Excess Sale Shares provided that such holder shall not be allocated more Excess Sale Shares than he shall have stated himself willing to take.
- 23.10 The Company shall send a written notice (each an "**Allocation Notice**");
- 23.10.1 In respect of any Sale Shares that are A Ordinary Shares or B Ordinary Shares, forthwith after the allocation of the Sale Shares in accordance with **Article 23.9** to the Compulsory Seller and each of the persons to whom such Sale Shares have been allocated (an "**Allottee**"); and
  - 23.10.2 In respect of any Sale Shares that are C Ordinary Shares and/or D Ordinary Shares, promptly following the service of the Offer Notice to the Compulsory Seller (and, in the case of a Transfer Event pursuant to **Article 23.1.2**, any other holder who has acquired Shares from the Compulsory Seller under a permitted transfer (directly or by means of a series of two or more transfers) under **Article 20** (excluding **Article 20.3.3** for these purposes)) and each of the persons to whom such Sale Shares have been offered in accordance with **Articles 23.7.3** or **23.7.4** (together with the Allottees, "**Member Applicants**")
- and shall specify in the Allocation Notice the place and time (being not later than 10 Business Days after the date of the Allocation Notice) at which the sale of the Sale Shares shall be completed.
- 23.11 Upon the Allocation Notice being delivered in accordance with **Article 23.10**:
- 23.11.1 the Compulsory Seller shall be bound, on payment of the Compulsory Sale Price in cash, to transfer the Sale Shares comprised in each Allocation Notice to the

relevant Member Applicant named therein at the time and place therein specified free from any lien, charge or encumbrance;

23.11.2 if the Compulsory Seller makes default in so doing:

23.11.2.1 the Company, or some other person duly nominated by a resolution of the Board for that purpose, shall forthwith be deemed to be the duly appointed agent or attorney on behalf of the Compulsory Seller with full power to give, execute, complete and deliver in the name and on behalf of the Compulsory Seller:

(a) a transfer of the relevant Sale Shares to the Member Applicant; and

(b) all such consents, written resolutions and proxies as the appointed agent or attorney shall consider to be necessary or desirable for the purposes of any general meeting of the Company relating to or associated with or required to enable the sale of the Sale Shares to proceed;

23.11.2.2 the Company may receive and give a good discharge for the Compulsory Sale Price in respect of the relevant Sale Shares on behalf of the Compulsory Seller and (subject to the transfer being duly stamped) enter the name of the Member Applicant in the register of members as the holder or holders by transfer of the Sale Shares so purchased by him or them; and

23.11.2.3 the Company shall forthwith pay the Compulsory Sale Price into a separate bank account in the Company's name and shall hold such money on trust (but without interest) for the Compulsory Seller until he shall deliver up his certificate or certificates for the relevant Sale Shares (or an indemnity, in a form reasonably satisfactory to the Board, in respect of any lost certificate) to the Company when he shall thereupon be paid the Compulsory Sale Price.

23.12 In the event of all the Sale Shares not being sold under the preceding paragraphs of this **Article 23**, the Compulsory Seller(s) may retain any Sale Shares not sold.

23.13 Where any Sale Shares which have been transferred to the Warehouse pursuant to this **Article 23** are still held by the Warehouse at the date of an Exit, such Sale Shares shall be allocated on the basis set out in **Article 18.10** as if references therein to "Reserved Shares" were references to "Sale Shares".

## 24. VALUATION OF SHARES

24.1 In the event that the Independent Accountants are required to determine the price at which Shares are to be transferred pursuant to these Articles, the Company shall engage and instruct the Independent Accountants (which instructions shall be made as soon as practicable following the time it becomes apparent that a valuation pursuant to this **Article 24** is required), to give their written opinion as to the price which represents a fair value for such Shares on the following basis:

24.1.1 as between a willing seller and a willing buyer as at the date the date of the relevant Transfer Event;

24.1.2 on the basis that the sale is of the Company as a going concern;

24.1.3 without taking account whether the relevant Shares comprise a majority or minority interest in the Company nor the fact that the transferability of such Shares is restricted by these Articles and/or whether the voting rights relating to such Shares have been disenfranchised by these Articles; and

24.1.4 having regard to the application of **Articles 14.2.2** and **16**.

24.2 **Article 32.1.1** shall apply to any determination under this Article by the Independent Accountants.

## 25. **COMPLIANCE**

25.1 For the purpose of ensuring (i) that a transfer of Shares is duly authorised under these Articles or (ii) that no circumstances have arisen whereby a Compulsory Transfer Notice is required to be or ought to have been given under these Articles or (iii) whether an offer is required to be or ought to have been made under **Article 22.2**, the Board may from time to time require any shareholder or past shareholder or any person named as transferee in any transfer lodged for registration or such other person as the Board may reasonably believe to have information relevant to such purpose, to furnish to the Company such information and evidence as the Board may reasonably think fit regarding any matter which they deem relevant to such purpose; including (but not limited to) the names, addresses and interests of all persons respectively having interests in the Shares from time to time registered in the holder's name.

25.2 Failing such information or evidence being furnished to enable the Board to determine to its reasonable satisfaction that no such Compulsory Transfer Notice is required to be or ought to have been given, or that no offer is required to be or ought to have been made under **Article 22.2**, or that as a result of such information and evidence the Board is reasonably satisfied that such Compulsory Transfer Notice is required to be or ought to have been given, or that an offer is required to be or ought to have been made under **Article 22.2**:

25.2.1 where the purpose of the enquiry by the Board was to establish whether a Compulsory Transfer Notice is required to be or ought to have been given, then a Compulsory Transfer Notice shall be deemed to have been given by the holder of the relevant Shares in respect of such Shares; or

25.2.2 where the purpose of the enquiry by the Board was to establish whether an offer is required to be or ought to have been made under **Article 22.2**, then the Shares held by or on behalf of the person or persons connected with each other or acting in concert with each other (who has or have (as the case may be) obtained a Controlling Interest as is referred to in **Article 22.2**), shall cease to entitle the holders thereof (or any proxy):

25.2.2.1 to receive notice of any meeting; or

25.2.2.2 to any voting rights (whether on a show of hands or on a poll and whether exercisable at a general meeting of the Company or at a separate meeting of the class in question) otherwise attaching to such Shares; or

25.2.2.3 to any further Shares issued in right of such Shares or in pursuance of an offer made to the relevant holders,

25.2.2.4 to the extent that such person or persons shall only be able to control the percentage of the voting rights, attaching to Shares, which they controlled prior to their obligation arising to procure the making of such offer.

## 26. **PURCHASE OF OWN SHARES**

The Company is authorised to purchase its own shares out of capital up to the annual limit in accordance with section 692 of the 2006 Act.

**27. TRANSMITTEES BOUND BY PRIOR NOTICES**

Model Article 29 shall be amended by the Insertion of the words, "*or the name of any person nominated under Model Article 27(2)*", after the words "the transmittee's name".

**GENERAL MEETINGS**

**28. NOTICE OF GENERAL MEETINGS**

28.1 Every notice convening a general meeting shall:

28.1.1 comply with section 325(1) of the 2006 Act as to giving information to shareholders relating to their right to appoint proxies; and

28.1.2 be given in accordance with section 308 of the 2006 Act, that is in hard copy form, electronic form or by means of a website.

28.2 A notice convening a general meeting (other than an adjourned meeting) must be called by at least 14 days' notice but a general meeting can be called by shorter notice if it is so agreed by a majority in number of the members having a right to attend and vote at the meeting being a majority who together hold not less than 90% by nominal value of the Shares giving that right. The notice must state the time, date and place of the meeting and the general nature of the business to be dealt with at the meeting.

**29. PROCEEDINGS AT GENERAL MEETINGS**

29.1 No resolution shall be voted on and no other business shall be transacted at any general meeting of the Company unless a quorum is present when such vote is taken or other business is transacted and no resolution or transaction shall be effective unless a quorum is so present. Two persons, being holders (at least one of whom must be a holder of A Ordinary Shares) present in person, by proxy or by duly authorised representative (if a corporation), shall be the quorum at any general meeting.

29.2 If a quorum is not present within half an hour from the time appointed for a general meeting or if, during any general meeting, a quorum ceases to be present, the general meeting shall stand adjourned to the same day in the next week at the same time and place or to such other day and at such other place as the directors (with Investor Consent) may determine; and if at the adjourned general meeting a quorum is not present within half an hour from the time appointed for the same the shareholders present shall form a quorum. Model Article 41(1) to (5) Inclusive shall not apply to the Company.

**30. WRITTEN RESOLUTIONS**

30.1 A written resolution, proposed in accordance with section 288(3) of the 2006 Act, will lapse if it is not passed before the end of the period of 28 days beginning with the circulation date.

30.2 For the purposes of this **Article 30 "circulation date"** is the date on which copies of the written resolution are sent or submitted to members or, if copies are sent or submitted on different days, to the first of those days.

**ADMINISTRATIVE ARRANGEMENTS**

**31. BORROWING POWERS**

Subject to the terms of the Investment Agreement, the Board may exercise all the powers of the Company to borrow money and to mortgage or charge its undertaking, property and uncalled capital, or any part thereof, and, subject to the provisions of the 2006 Act, to issue debentures, debenture stock, and other securities whether outright or as security for any debt, liability or obligation of the Company or of any third party.

32. **INDEPENDENT ACCOUNTANTS DETERMINATION**

- 32.1.1 If any matter under these Articles is referred to the Independent Accountants for determination then the Independent Accountants shall act as experts and not as arbitrators or arbiters and their decision shall be final and binding on the Company and all the holders (in the absence of fraud or manifest error).
- 32.1.2 The Independent Accountants where required by these Articles shall determine the valuation of Shares in accordance with **Article 24**.
- 32.1.3 The Independent Accountants costs in making any such determination referred to in **Article 32.1.1** shall be borne by the Company save where, In the case of the determination of a valuation of Sale Shares, the Fair Value as determined by the Independent Accountants is less than 105% of the amount the Board had proposed as the Fair Value, in which case the Independent Accountants' costs shall be borne 50% by the Company and 50% by the Compulsory Seller.

33. **COMPANY COMMUNICATION PROVISIONS**

33.1 Where:

- 33.1.1 a document or Information is sent by post (whether in hard copy or electronic form) to an address in the United Kingdom; and
- 33.1.2 the Company is able to show that it was properly addressed, prepaid and posted
- It is deemed to have been received by the intended recipient 24 hours after it was posted.

33.2 Where:

- 33.2.1 a document or Information is sent or supplied by electronic means; and
- 33.2.2 the Company is able to show that it was properly addressed
- It is deemed to have been received by the intended recipient immediately after it was sent.

33.3 Where a document or information is sent or supplied by means of a website, it is deemed to have been received by the intended recipient:

- 33.3.1 when the material was first made available on the website; or
- 33.3.2 if later, when the recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

33.4 Pursuant to section 1147(6) of the 2006 Act, subsections (2) (3) and (4) of that section shall be deemed modified by **Articles 33.1, 33.2 and 33.3**.

33.5 Subject to any requirements of the 2006 Act only such documents and notices as are specified by the Company may be sent to the Company in electronic form to the address specified by the Company for that purpose and such documents or notices sent to the Company are sufficiently authenticated if the identity of the sender is confirmed in the way the Company has specified.

34. **INDEMNITIES FOR DIRECTORS**

- 34.1 Subject to, and so far as may be permitted by, the 2006 Act and without prejudice to any indemnity to which the person concerned may be otherwise entitled, the Company shall indemnify every director, former director, alternate director, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liabilities incurred by him in the execution and discharge of his duties or the exercise of his powers or otherwise in relation to or in connection with his duties, powers or office, including any liability which may attach to him in respect of any negligence,

default, breach of duty or breach of trust in relation to anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, secretary or other officer of the Company or of any associated company and against any such liability incurred by him in connection with the Company's activities as trustee of an occupational pension scheme as defined in section 235(6) of the 2006 Act.

34.2 Subject to the 2006 Act, the directors shall purchase and maintain at the cost of the Company insurance cover for or for the benefit of every director, former director, alternate director, Auditor, secretary or other officer of the Company or of any associated company (as defined in section 256 of the 2006 Act) against any liability which may attach to him in respect of any negligence, default, breach of duty or breach of trust by him in relation to the Company (or such associated company), including anything done or omitted to be done or alleged to have been done or omitted to be done by him as a director, former director, alternate director, Auditor, secretary or other officer of the Company or of any associated company.

34.3 Subject to, and so far as may be permitted by, the 2006 Act, the Company shall be entitled to fund the expenditure of every director, alternate director or other officer of the Company incurred or to be incurred:

34.3.1 In defending any criminal or civil proceedings; or

34.3.2 In connection with any application under sections 661(3) or 661(4) or under section 1157 of the 2006 Act.

34.4 Model Articles 52 and 53 shall not apply to the Company.

**35. REGISTERED OFFICE**

The Company's registered office is to be situated in England and Wales.



## **ANNEXURE 1**

### **Model Articles**

**2008 No. 3229**

### **COMPANIES**

**The Companies (Model Articles) Regulations 2008**

### **SCHEDULE 1**

### **MODEL ARTICLES FOR PRIVATE COMPANIES LIMITED BY SHARES**

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## **PART 1**

### **INTERPRETATION AND LIMITATION OF LIABILITY**

#### **Defined terms**

1. In the articles, unless the context requires otherwise
  - "articles" means the company's articles of association;
  - "bankruptcy" includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
  - "chairman" has the meaning given in **Article 12**;
  - "chairman of the meeting" has the meaning given in **Article 39**;
  - "Companies Acts" means the Companies Acts (as defined in section 2 of the Companies Act 2006), in so far as they apply to the company;
  - "director" means a director of the company, and includes any person occupying the position of director, by whatever name called;
  - "distribution recipient" has the meaning given in **Article 31**;
  - "document" includes, unless otherwise specified, any document sent or supplied in electronic form;
  - "electronic form" has the meaning given in section 1168 of the Companies Act 2006;
  - "fully paid" in relation to a share, means that the nominal value and any premium to be paid to the company in respect of that share have been paid to the company;
  - "hard copy form" has the meaning given in section 1168 of the Companies Act 2006;
  - "holder" in relation to shares means the person whose name is entered in the register of members as the holder of the shares;
  - "instrument" means a document in hard copy form;
  - "ordinary resolution" has the meaning given in section 282 of the Companies Act 2006;
  - "paid" means paid or credited as paid;
  - "participate", in relation to a directors' meeting, has the meaning given in **Article 10**;
  - "proxy notice" has the meaning given in **Article 45**;
  - "shareholder" means a person who is the holder of a share; "shares" means shares in the company;
  - "special resolution" has the meaning given in section 283 of the Companies Act 2006;
  - "subsidiary" has the meaning given in section 1159 of the Companies Act 2006;
  - "transmittee" means a person entitled to a share by reason of the death or bankruptcy of a shareholder or otherwise by operation of law; and
  - "writing" means the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

Unless the context otherwise requires, other words or expressions contained in these articles bear the same meaning as in the Companies Act 2006 as in force on the date when these articles become binding on the company.

#### **Liability of members**

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

### **PART 2**

#### **DIRECTORS**

##### **DIRECTORS' POWERS AND RESPONSIBILITIES**

#### **Directors' general authority**

3. Subject to the articles, the directors are responsible for the management of the company's business, for which purpose they may exercise all the powers of the company.

#### **Shareholders' reserve power**

4.
  - (1) The shareholders may, by special resolution, direct the directors to take, or refrain from taking specified action.
  - (2) No such special resolution invalidates anything which the directors have done before the passing of the resolution.

#### **Directors may delegate**

5.
  - (1) Subject to the articles, the directors may delegate any of the powers which are conferred on them under the articles:
    - (a) to such person or committee;
    - (b) by such means (including by power of attorney);
    - (c) to such an extent;
    - (d) in relation to such matters or territories; and on such terms and conditions;as they think fit.
  - (2) If the directors so specify, any such delegation may authorise further delegation of the directors' powers by any person to whom they are delegated.
  - (3) The directors may revoke any delegation in whole or part, or alter its terms and conditions.

#### **Committees**

6.
  - (1) Committees to which the directors delegate any of their powers must follow procedures which are based as far as they are applicable on those provisions of the articles which govern the taking of decisions by directors.

- (2) The directors may make rules of procedure for all or any committees, which prevail over rules derived from the articles if they are not consistent with them.

## **DECISION-MAKING BY DIRECTORS**

### **Directors to take decisions collectively**

7.

- (1) The general rule about decision-making by directors is that any decision of the directors must be either a majority decision at a meeting or a decision taken in accordance with **Article 8**.
- (2) If:
- (a) the company only has one director, and
  - (b) no provision of the articles requires it to have more than one director,
- the general rule does not apply, and the director may take decisions without regard to any of the provisions of the articles relating to directors' decision-making.

### **Unanimous decisions**

8.

- (1) A decision of the directors is taken in accordance with this article when all eligible directors indicate to each other by any means that they share a common view on a matter.
- (2) Such a decision may take the form of a resolution in writing, copies of which have been signed by each eligible director or to which each eligible director has otherwise indicated agreement in writing.
- (3) References in this article to eligible directors are to directors who would have been entitled to vote on the matter had it been proposed as a resolution at a directors' meeting.
- (4) A decision may not be taken in accordance with this article if the eligible directors would not have formed a quorum at such a meeting.

### **Calling a directors' meeting**

9.

- (1) Any director may call a directors' meeting by giving notice of the meeting to the directors or by authorising the company secretary (if any) to give such notice.
- (2) Notice of any directors' meeting must indicate:
- (a) its proposed date and time;
  - (b) where it is to take place; and
  - (c) if it is anticipated that directors participating in the meeting will not be in the same place, how it is proposed that they should communicate with each other during the meeting.
- (3) Notice of a directors' meeting must be given to each director, but need not be in writing.

- (4) Notice of a directors' meeting need not be given to directors who waive their entitlement to notice of that meeting, by giving notice to that effect to the company not more than 7 days after the date on which the meeting is held. Where such notice is given after the meeting has been held, that does not affect the validity of the meeting, or of any business conducted at it.

#### **Participation in directors' meeting**

10.

- (1) Subject to the articles, directors participate in a directors' meeting, or part of a directors' meeting, when:
- (a) the meeting has been called and takes place in accordance with the articles, and
  - (b) they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- (2) In determining whether directors are participating in a directors' meeting, it is irrelevant where any director is or how they communicate with each other.
- (3) If all the directors participating in a meeting are not in the same place, they may decide that the meeting is to be treated as taking place wherever any of them is.

#### **Quorum for directors' meetings**

11.

- (1) At a directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.
- (2) The quorum for directors' meetings may be fixed from time to time by a decision of the directors, but it must never be less than two, and unless otherwise fixed it is two.
- (3) If the total number of directors for the time being is less than the quorum required, the directors must not take any decision other than a decision:
- (a) to appoint further directors, or
  - (b) to call a general meeting so as to enable the shareholders to appoint further directors.

#### **Chairing of directors' meetings**

12.

- (1) The directors may appoint a director to chair their meetings.
- (2) The person so appointed for the time being is known as the chairman.
- (3) The directors may terminate the chairman's appointment at any time.
- (4) If the chairman is not participating in a directors' meeting within 10 minutes of the time at which it was to start, the participating directors must appoint one of themselves to chair it.

#### **Casting vote**

13.

- (1) If the numbers of votes for and against a proposal are equal, the chairman or other director chairing the meeting has a casting vote.
- (2) But this does not apply if, in accordance with the articles, the chairman or other director is not to be counted as participating in the decision-making process for quorum or voting purposes.

#### **Conflicts of interest**

14.

- (1) If a proposed decision of the directors is concerned with an actual or proposed transaction or arrangement with the company in which a director is interested, that director is not to be counted as participating in the decision-making process for quorum or voting purposes.
- (2) But if paragraph (3) applies, a director who is interested in an actual or proposed transaction or arrangement with the company is to be counted as participating in the decision-making process for quorum and voting purposes.
- (3) This paragraph applies when:
  - (a) the company by ordinary resolution disapplies the provision of the articles which would otherwise prevent a director from being counted as participating in the decision-making process;
  - (b) the director's interest cannot reasonably be regarded as likely to give rise to a conflict of interest; or
  - (c) the director's conflict of interest arises from a permitted cause.
- (4) For the purposes of this article, the following are permitted causes:
  - (a) a guarantee given, or to be given, by or to a director in respect of an obligation incurred by or on behalf of the company or any of its subsidiaries;
  - (b) subscription, or an agreement to subscribe, for shares or other securities of the company or any of its subsidiaries, or to underwrite, sub-underwrite, or guarantee subscription for any such shares or securities; and
  - (c) arrangements pursuant to which benefits are made available to employees and directors or former employees and directors of the company or any of its subsidiaries which do not provide special benefits for directors or former directors.
- (5) For the purposes of this article, references to proposed decisions and decision-making processes include any directors' meeting or part of a directors' meeting.
- (6) Subject to paragraph (7), if a question arises at a meeting of directors or of a committee of directors as to the right of a director to participate in the meeting (or part of the meeting) for voting or quorum purposes, the question may, before the conclusion of the meeting, be referred to the chairman whose ruling in relation to any director other than the chairman is to be final and conclusive.
- (7) If any question as to the right to participate in the meeting (or part of the meeting) should arise in respect of the chairman, the question is to be decided by a decision of the directors at that meeting, for which purpose the chairman



is not to be counted as participating in the meeting (or that part of the meeting) for voting or quorum purposes.

#### **Records of decisions to be kept**

15. The directors must ensure that the company keeps a record, in writing, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the directors.

#### **Directors' discretion to make further rules**

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

### **APPOINTMENT OF DIRECTORS**

#### **Methods of appointing directors**

- 17.
- (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:
    - (a) by ordinary resolution, or
    - (b) by a decision of the directors.
  - (2) In any case where, as a result of death, the company has no shareholders and no directors, the personal representatives of the last shareholder to have died have the right, by notice in writing, to appoint a person to be a director.
  - (3) For the purposes of paragraph (2), where two or more shareholders die in circumstances rendering it uncertain who was the last to die, a younger shareholder is deemed to have survived an older shareholder.

#### **Termination of director's appointment**

18. A person ceases to be a director as soon as:
- (a) that person ceases to be a director by virtue of any provision of the Companies Act 2006 or is prohibited from being a director by law;
  - (b) a bankruptcy order is made against that person;
  - (c) a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - (d) a registered medical practitioner who is treating that person gives a written opinion to the company stating that that person has become physically or mentally incapable of acting as a director and may remain so for more than three months; or
  - (e) notification is received by the company from the director that the director is resigning from office, and such resignation has taken effect in accordance with its terms

whichever event is first to occur.

#### **Directors' remuneration**

- 19.

- (1) Directors may undertake any services for the company that the directors decide.
- (2) Directors are entitled to such remuneration as the directors determine:
  - (a) for their services to the company as directors, and
  - (b) for any other service which they undertake for the company.
- (3) Subject to the articles, a director's remuneration may:
  - (a) take any form, and
  - (b) include any arrangements in connection with the payment of a pension, allowance or gratuity, or any death, sickness or disability benefits, to or in respect of that director.
- (4) Unless the directors decide otherwise, directors' remuneration accrues from day to day.
- (5) Unless the directors decide otherwise, directors are not accountable to the company for any remuneration which they receive as directors or other officers or employees of the company's subsidiaries or of any other body corporate in which the company is interested.

#### **Directors' expenses**

20. The company may pay any reasonable expenses which the directors properly incur in connection with their attendance at:
- (a) meetings of directors or committees of directors,
  - (b) general meetings, or
  - (c) separate meetings of the holders of any class of shares or of debentures of the company,

or otherwise in connection with the exercise of their powers and the discharge of their responsibilities in relation to the company.

### **PART 3**

#### **SHARES AND DISTRIBUTIONS**

##### **All shares to be fully paid up**

21.

- (1) No share is to be issued for less than the aggregate of its nominal value and any premium to be paid to the company in consideration for its issue.
- (2) This does not apply to shares taken on the formation of the company by the subscribers to the company's memorandum.

##### **Powers to issue different classes of share**

22.

- (1) Subject to the articles, but without prejudice to the rights attached to any existing share, the company may issue shares with such rights or restrictions as may be determined by ordinary resolution.

- (2) The company may issue shares which are to be redeemed, or are liable to be redeemed at the option of the company or the holder, and the directors may determine the terms, conditions and manner of redemption of any such shares.

**Company not bound by less than absolute Interests**

23. Except as required by law, no person is to be recognised by the company as holding any share upon any trust, and except as otherwise required by law or the articles, the company is not in any way to be bound by or recognise any interest in a share other than the holder's absolute ownership of it and all the rights attaching to it.

**Share certificates**

24.

- (1) The company must issue each shareholder, free of charge, with one or more certificates in respect of the shares which that shareholder holds.
- (2) Every certificate must specify:
  - (a) In respect of how many shares, of what class, it is issued;
  - (b) the nominal value of those shares;
  - (c) that the shares are fully paid; and
  - (d) any distinguishing numbers assigned to them.
- (3) No certificate may be issued in respect of shares of more than one class.
- (4) If more than one person holds a share, only one certificate may be issued in respect of it.
- (5) Certificates must:
  - (a) have affixed to them the company's common seal, or
  - (b) be otherwise executed in accordance with the Companies Acts.

**Replacement share certificates**

25.

- (1) If a certificate issued in respect of a shareholder's shares is:
  - (a) damaged or defaced, or
  - (b) said to be lost, stolen or destroyed,that shareholder is entitled to be issued with a replacement certificate in respect of the same shares.
- (2) A shareholder exercising the right to be issued with such a replacement certificate:
  - (a) may at the same time exercise the right to be issued with a single certificate or separate certificates;
  - (b) must return the certificate which is to be replaced to the company if it is damaged or defaced; and

- (c) must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the directors decide.

#### **Share transfers**

26.

- (1) Shares may be transferred by means of an instrument of transfer in any usual form or any other form approved by the directors, which is executed by or on behalf of the transferor.
- (2) No fee may be charged for registering any instrument of transfer or other document relating to or affecting the title to any share.
- (3) The company may retain any instrument of transfer which is registered.
- (4) The transferor remains the holder of a share until the transferee's name is entered in the register of members as holder of it.
- (5) The directors may refuse to register the transfer of a share, and if they do so, the instrument of transfer must be returned to the transferee with the notice of refusal unless they suspect that the proposed transfer may be fraudulent.

#### **Transmission of shares**

27.

- (1) If title to a share passes to a transmittee, the company may only recognise the transmittee as having any title to that share.
- (2) A transmittee who produces such evidence of entitlement to shares as the directors may properly require:
  - (a) may, subject to the articles, choose either to become the holder of those shares or to have them transferred to another person, and
  - (b) subject to the articles, and pending any transfer of the shares to another person, has the same rights as the holder had.
- (3) But transmittees do not have the right to attend or vote at a general meeting, or agree to a proposed written resolution, in respect of shares to which they are entitled, by reason of the holder's death or bankruptcy or otherwise, unless they become the holders of those shares.

#### **Exercise of transmittees' rights**

28.

- (1) Transmittees who wish to become the holders of shares to which they have become entitled must notify the company in writing of that wish.
- (2) If the transmittee wishes to have a share transferred to another person, the transmittee must execute an instrument of transfer in respect of it.
- (3) Any transfer made or executed under this article is to be treated as if it were made or executed by the person from whom the transmittee has derived rights in respect of the share, and as if the event which gave rise to the transmission had not occurred.

#### **Transmittees bound by prior notices**

29. If a notice is given to a shareholder in respect of shares and a transmittee is entitled to those shares, the transmittee is bound by the notice if it was given to the shareholder before the transmittee's name has been entered in the register of members.

## **DIVIDENDS AND OTHER DISTRIBUTIONS**

### **Procedure for declaring dividends**

30.

- (1) The company may by ordinary resolution declare dividends, and the directors may decide to pay interim dividends.
- (2) A dividend must not be declared unless the directors have made a recommendation as to its amount. Such a dividend must not exceed the amount recommended by the directors.
- (3) No dividend may be declared or paid unless it is in accordance with shareholders' respective rights.
- (4) Unless the shareholders' resolution to declare or directors' decision to pay a dividend, or the terms on which shares are issued, specify otherwise, it must be paid by reference to each shareholders' holding or shares on the date of the resolution or decision to declare or pay it.
- (5) *If the company's share capital is divided into different classes, no interim dividend may be paid on shares carrying deferred or non-preferred rights if, at the time of payment, any preferential dividend is in arrear.*
- (6) The directors may pay at intervals any dividend payable at a fixed rate if it appears to them that the profits available for distribution justify the payment.
- (7) If the directors act in good faith, they do not incur any liability to the holders of shares conferring preferred rights for any loss they may suffer by the lawful payment of an interim dividend on shares with deferred or non-preferred rights.

### **Payment of dividends and other distributions**

31.

- (1) Where a dividend or other sum which is a distribution is payable in respect of a share, it must be paid by one or more of the following means:
  - (a) transfer to a bank or building society account specified by the distribution recipient either in writing or as the directors may otherwise decide;
  - (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 either in writing or as the directors may otherwise decide;
  - (c) sending a cheque made payable to such person by post to such person at such address as the distribution recipient has specified either in writing or as the directors may otherwise decide; or
  - (d) any other means of payment as the directors agree with the distribution recipient either in writing or by such other means as the directors decide.

- (2) In the 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.

#### **No interest on distributions**

32. The company may not pay interest on any dividend or other sum payable in respect of a share unless otherwise provided by:

- (a) the terms on which the share was issued, or
- (b) the provisions of another agreement between the holder of that share and the company.

#### **Unclaimed distributions**

33.

- (1) All dividends or other sums which are:

- (a) payable in respect of shares, and
- (b) unclaimed after having been declared or become payable,

may be invested or otherwise made use of by the directors for the benefit of the company until claimed.

- (2) The payment of any such dividend or other sum into a separate account does not make the company a trustee in respect of it.

- (3) If:

- (a) twelve years have passed from the date on which a dividend or other sum became due for payment, and
- (b) the distribution recipient has not claimed it,

the distribution recipient is no longer entitled to that dividend or other sum and it ceases to remain owing by the company.

#### **Non-cash distributions**

34.

- (1) Subject to the terms of issue of the share in question, the company may, by ordinary resolution on the recommendation of the directors, decide to pay all or part of a dividend or other distribution payable in respect of a share by transferring non-cash assets of equivalent value (including, without limitation, shares or other securities in any company).
- (2) For the purposes of paying a non-cash distribution, the directors may make whatever arrangements they think fit, including, where any difficulty arises regarding the distribution:

- (a) fixing the value of any assets;
- (b) paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
- (c) vesting any assets in trustees.

#### **Waiver of distributions**

35. Distribution recipients may waive their entitlement to a dividend or other distribution payable in respect of a share by giving the company notice in writing to that effect, but if:

- (a) the share has more than one holder, or
- (b) more than one person is entitled to the share, whether by reason of the death or bankruptcy of one or more joint holders, or otherwise.

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

#### **CAPITALISATION OF PROFITS**

##### **Authority to capitalise and appropriation of capitalised sums**

36.

- (1) Subject to the articles, the directors may, if they are so authorised by an ordinary resolution:
  - (a) decide to capitalise any profits of the company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of the company's share premium account or capital redemption reserve; and
  - (b) appropriate any sum which they so decide to capitalise (a "capitalised sum") to the persons who would have been entitled to it if it were distributed by way of dividend (the "persons entitled") and in the same proportions.
- (2) Capitalised sums must be applied:
  - (a) on behalf of the persons entitled, and
  - (b) in the same proportions as a dividend would have been distributed to them.
- (3) Any capitalised sum may be applied in paying up new shares of a nominal amount equal to the capitalised sum which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (4) A capitalised sum which was appropriated from profits available for distribution may be applied in paying up new debentures of the company which are then allotted credited as fully paid to the persons entitled or as they may direct.
- (5) Subject to the articles the directors may:
  - (a) apply capitalised sums in accordance with paragraphs (3) and (4)
  - (b) partly in one way and partly in another;

- (c) make such arrangements as they think fit to deal with shares or debentures becoming distributable in fractions under this article (including the issuing of fractional certificates or the making of cash payments); and
- (d) authorise any person to enter into an agreement with the company on behalf of all the persons entitled which is binding on them in respect of the allotment of shares and debentures to them under this article.

#### **PART 4**

### **DECISION-MAKING BY SHAREHOLDERS**

#### **ORGANISATION OF GENERAL MEETINGS**

##### **Attendance and speaking at general meetings**

37.

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

##### **Quorum for general meetings**

38. No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.

##### **Chairing general meetings**

39.

- (1) If the directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- (2) If the directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within 10 minutes of the time at which a meeting was due to start:



- (a) the directors present, or
- (b) (If no directors are present), the meeting,

must appoint a director or shareholder to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.

- (3) The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

#### **Attendance and speaking by directors and non-shareholders**

40.

- (1) Directors may attend and speak at general meetings, whether or not they are shareholders.
- (2) The chairman of the meeting may permit other persons who are not:
  - (a) shareholders of the company, or
  - (b) otherwise entitled to exercise the rights of shareholders in relation to general meetings, to attend and speak at a general meeting.

#### **Adjournment**

41.

- (1) If the persons attending a general meeting within half an hour of the time at which the meeting was due to start do not constitute a quorum, or if during a meeting a quorum ceases to be present, the chairman of the meeting must adjourn it.
- (2) The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
  - (a) the meeting consents to an adjournment, or
  - (b) it appears to the chairman of the meeting that an adjournment is necessary to protect the safety of any person attending the meeting or ensure that the business of the meeting is conducted in an orderly manner.
- (3) The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.
- (4) When adjourning a general meeting, the chairman of the meeting must:
  - (a) either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the directors; and
  - (b) have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- (5) If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the company must give at least 7 clear days' notice of it (that is, excluding the day of the adjourned meeting and the day on which the notice is given):

- (a) to the same persons to whom notice of the company's general meetings is required to be given, and
  - (b) containing the same information which such notice is required to contain.
- (6) No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### **VOTING AT GENERAL MEETINGS**

#### **Voting: general**

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

#### **Errors and disputes**

- 43.
- (1) No objection may be raised to the qualification of any person voting at a general meeting except at the meeting or adjourned meeting at which the vote objected to is tendered, and every vote not disallowed at the meeting is valid.
  - (2) Any such objection must be referred to the chairman of the meeting, whose decision is final.

#### **Poll Votes**

- 44.
- (1) A poll on a resolution may be demanded:
    - (a) in advance of the general meeting where it is to be put to the vote, or
    - (b) at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
  - (2) A poll may be demanded by:
    - (a) the chairman of the meeting;
    - (b) the directors;
    - (c) two or more persons having the right to vote on the resolution;
    - (d) or a person or persons representing not less than one 10th of the total voting rights of all the shareholders having the right to vote on the resolution.
  - (3) A demand for a poll may be withdrawn if:
    - (a) the poll has not yet been taken, and
    - (b) the chairman of the meeting consents to the withdrawal.
  - (4) Polls must be taken immediately and in such manner as the chairman of the meeting directs.

### **Content of proxy notices**

45.

- (1) Proxies may only validly be appointed by a notice in writing (a "proxy notice") which:
  - (a) states the name and address of the shareholder appointing the
  - (b) proxy;
  - (c) identifies the person appointed to be that shareholder's proxy and the general meeting in relation to which that person is appointed;
  - (d) is signed by or on behalf of the shareholder appointing the proxy, or is authenticated in such manner as the directors may determine; and
  - (e) is delivered to the company in accordance with the articles and any instructions contained in the notice of the general meeting to which they relate.
- (2) the company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- (3) Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions.
- (4) Unless a proxy notice indicates otherwise, it must be treated as:
  - (a) allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting, and
  - (b) appointing that person as a proxy in relation to any adjournment of the general meeting to which it relates as well as the meeting itself.

### **Delivery of proxy notices**

46.

- (1) A person who is entitled to attend, speak or vote (either on a show of hands or on a poll) at a general meeting remains so entitled in respect of that meeting or any adjournment of it, even though a valid proxy notice has been delivered to the company by or on behalf of that person.
- (2) An appointment under a proxy notice may be revoked by delivering to the company a notice in writing given by or on behalf of the person by whom or on whose behalf the proxy notice was given.
- (3) A notice revoking a proxy appointment only takes effect if it is delivered before the start of the meeting or adjourned meeting to which it relates.
- (4) If a proxy notice is not executed by the person appointing the proxy, it must be accompanied by written evidence of the authority of the person who executed it to execute it on the appointor's behalf.

### **Amendments to resolutions**

47.

- (1) An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:
  - (a) *notice of the proposed amendment is given to the company in writing by a person entitled to vote at the general meeting at which it is to be proposed not less than 48 hours before the meeting is to take place (or such later time as the chairman of the meeting may determine), and*
  - (b) *the proposed amendment does not, in the reasonable opinion of the chairman of the meeting, materially alter the scope of the resolution.*
- (2) A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:
  - (a) *the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed, and*
  - (b) *the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.*
- (3) If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

## **PART 5**

### **ADMINISTRATIVE ARRANGEMENTS**

#### **Means of communication to be used**

48.

- (1) Subject to the articles, anything sent or supplied by or to the company under the articles may be sent or supplied in any way in which the Companies Act 2006 provides for documents or information which are authorised or required by any provision of that Act to be sent or supplied by or to the company.
- (2) Subject to the articles, any notice or document to be sent or supplied to a director in connection with the taking of decisions by directors may also be sent or supplied by the means by which that director has asked to be sent or supplied with such notices or documents for the time being.
- (3) A director may agree with the company that notices or documents sent to that director in a particular way are to be deemed to have been received within a specified time of their being sent, and for the specified time to be less than 48 hours.

#### **Company seals**

49.

- (1) Any common seal may only be used by the authority of the directors.
- (2) The directors may decide by what means and in what form any common seal is to be used.
- (3) Unless otherwise decided by the directors, if the company has a common seal and it is affixed to a document, the document must also be signed by at least one authorised person in the presence of a witness who attests the signature.
- (4) For the purposes of this article, an authorised person is:

- (a) any director of the company;
- (b) the company secretary (if any); or
- (c) any person authorised by the directors for the purpose of signing documents to which the common seal is applied.

#### **No right to inspect accounts and other records**

50. Except as provided by law or authorised by the directors or an ordinary resolution of the company, no person is entitled to inspect any of the company's accounting or other records or documents merely by virtue of being a shareholder.

#### **Provision for employees on cessation of business**

51. The directors may decide to make provision for the benefit of persons employed or formerly employed by the company or any of its subsidiaries (other than a director or former director or shadow director) in connection with the cessation or transfer to any person of the whole or part of the undertaking of the company or that subsidiary.

### **DIRECTORS' INDEMNITY AND INSURANCE**

#### **Indemnity**

52.

- (1) subject to paragraph (2), a relevant director of the company or an associated company may be indemnified out of the company's assets against:
  - (a) any liability incurred by that director in connection with any negligence, default, breach of duty or breach of trust in relation to the company or an associated company.
  - (b) any liability incurred by that director in connection with the activities of the company or an associated company in its capacity as a trustee of an occupational pension scheme (as defined in section 235(6) of the Companies Act 2006),
  - (c) any other liability incurred by that director as an officer of the company or an associated company.
- (2) This article does not authorise any indemnity which would be prohibited or rendered void by any provision of the Companies Acts or by any other provision of law.
- (3) In this article:
  - (a) companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate, and
  - (b) a "relevant director" means any director or former director of the company or an associated company.

#### **Insurance**

53.

- (1) The directors may decide to purchase and maintain insurance, at the expense of the company, for the benefit of any relevant director in respect of any relevant loss.

(2) In this article:

- (a) a "relevant director" means any director or former director of the company or an associated company.
- (b) a "relevant loss" means any loss or liability which has been or may be incurred by a relevant director in connection with that director's duties or powers in relation to the company, any associated company or any pension fund or employees' share scheme of the company or associated company, and

companies are associated if one is a subsidiary of the other or both are subsidiaries of the same body corporate.