

Company number 10923200

PRIVATE COMPANY LIMITED BY SHARES

WRITTEN RESOLUTION

of

**ENSEK HOLDINGS LIMITED (Company)**

Circulation Date: 31/01/2017



Under Chapter 2 of Part 13 of the Companies Act 2006 (the Act), the following resolutions which were proposed as ordinary and a special resolutions (the Resolutions) were duly passed in writing on the above date.

### **ORDINARY RESOLUTION**

#### **1 Subdivision**

THAT, the one ordinary share of £1.00 in the issued share capital of the Company be and is hereby sub-divided into 10 ordinary shares of £0.10 each, such shares having the same rights and being subject to the same restrictions (save as to nominal value) as the existing ordinary share of £1.00 each in the capital of the Company as set out in the Company's articles of association for the time being.

#### **2 Redesignation**

THAT, subject to the passing of Resolution 1 above, each and every of the 10 issued ordinary shares in the Company (following the subdivision above) shall be reclassified as B1 Ordinary Shares of £0.10 each, each share having the rights and being subject to the restrictions contained in the articles of association to be adopted pursuant to Resolution 5 below.

#### **3 Authority to allot**

THAT, in accordance with section 551 of the Act, the Directors be generally and unconditionally authorised to allot shares in the Company up to an aggregate nominal amount of £24,994.70 provided that this authority shall, unless renewed, varied or revoked by the Company, expire on the fifth anniversary of this resolution.

### **SPECIAL RESOLUTIONS**

#### **4 Disapplication of pre-emption rights**

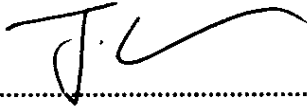
THAT, subject to the passing of resolution 3 and in accordance with section 570 of the Act, the Directors be generally empowered to allot equity securities (as defined in section 560 of the Act) pursuant to the authority conferred by resolution 3, as if section 561(1) of the Act did not apply to any such allotment, provided that this power shall:

- 4.1 be limited to the allotment of equity securities up to an aggregate nominal amount of £24,994.70; and

4.2 expire on the fifth anniversary of the date of this resolution (unless renewed, varied or revoked by the Company prior to or on that date).

5 **Adoption of articles**

THAT the draft articles of association attached to this resolution be and are hereby adopted as the articles of association of the Company in substitution for, and to the exclusion of, all the Company's existing articles of association.

  
.....

Director

JS

ARTICLES OF ASSOCIATION  
(adopted on 03/10/ 2017)

of

**ENSEK HOLDINGS LIMITED**

Incorporated on: 18<sup>th</sup> August 2017  
Registered Number: 10923200

## Table of Contents

1.	Interpretation .....	1
2.	Liability of Members .....	11
3.	Share rights .....	11
4.	Share Transfers - general provisions; Permitted Transfers .....	18
5.	Share Transfers – pre-emption provisions .....	20
6.	Share Transfers - Mandatory Transfer Notice; Leaver provisions .....	23
7.	Transfer of a Controlling Interest.....	28
8.	Compliance by Subsidiaries.....	30
9.	Directors' general authority .....	31
10.	Members' reserve power .....	31
11.	Directors may delegate .....	31
12.	Committees .....	31
13.	Directors to take decisions collectively.....	31
14.	Unanimous decisions .....	32
15.	Calling a Directors' meeting .....	32
16.	Participation in Directors' meetings .....	32
17.	Quorum for Directors' meetings .....	32
18.	Chairing of Directors' meetings .....	33
19.	Casting vote.....	33
20.	Directors' interests and conflicts .....	33
21.	Records of decisions to be kept .....	35
22.	Directors' discretion to make further rules .....	35
23.	Methods of appointing and removing Directors .....	35
24.	Termination of Director's appointment .....	36
25.	Directors' remuneration .....	36
26.	Directors' expenses.....	36
27.	Appointment and removal of alternate Directors .....	37
28.	Rights and responsibilities of alternate Directors .....	37
29.	Termination of alternate directorship.....	37
30.	Powers to issue different classes of Share and purchase of own Shares.....	38
31.	Payment of commissions on subscription for Shares .....	38
32.	Company not bound by less than absolute interests .....	38
33.	Fractional entitlements.....	38
34.	Company's lien over Shares .....	39
35.	Call notices .....	40
36.	Liability to pay calls .....	40
37.	When call notice need not be issued.....	40
38.	Failure to comply with call notice: automatic consequences .....	41
39.	Notice of intended forfeiture.....	41
40.	Directors' power to forfeit Shares.....	41
41.	Effect of forfeiture .....	42
42.	Procedure following forfeiture .....	42

43.	Surrender of Shares .....	43
44.	Share certificates .....	43
45.	Replacement share certificates .....	43
46.	Share Transfers .....	44
47.	Transmission of Shares.....	44
48.	Exercise of Transmittees' rights .....	45
49.	Procedure for declaring dividends .....	45
50.	Calculation of dividends.....	45
51.	Payment of dividends and other distributions .....	46
52.	Deductions from distributions in respect of sums owed to the Company .....	46
53.	No interest on distributions.....	47
54.	Unclaimed distributions.....	47
55.	Non-cash distributions .....	47
56.	Waiver of distributions.....	47
57.	Distribution in specie on winding up .....	47
58.	Authority to capitalise and appropriation of capitalised sums.....	48
59.	Attendance and speaking at general meetings.....	48
60.	Quorum for general meetings .....	49
61.	Chairing general meetings .....	49
62.	Attendance and speaking by Directors and non-Members .....	49
63.	Adjournment .....	49
64.	Voting: general.....	50
65.	Errors and disputes .....	50
66.	Poll votes .....	50
67.	Content of proxy notices.....	51
68.	Delivery of proxy notices .....	51
69.	Amendments to resolutions .....	52
70.	No voting of Shares on which money owed to Company.....	52
71.	Class meetings .....	52
72.	Means of communication to be used.....	52
73.	When information deemed to have been received.....	53
74.	Company seals .....	54
75.	No right to inspect accounts and other records .....	54
76.	Provision for employees on cessation of business .....	54
77.	Secretary.....	54
78.	Indemnity .....	54
79.	Insurance .....	55

## **1. Interpretation**

1.1 The relevant model articles (within the meaning of section 20 of the Companies Act 2006) are excluded.

1.2 In these Articles:

1.2.1 headings are used for convenience only and shall not affect the construction or interpretation hereof;

1.2.2 unless the context otherwise requires, words and expressions defined in the Companies Act 2006 as in force on the Adoption Date (as defined below) shall be read as having those meanings where used in these Articles;

1.2.3 in the event of there being any conflict or inconsistency between any provision in Part A of these Articles and any provisions in Part B of these Articles, the provisions in Part A shall prevail;

1.2.4 the following words and expressions shall have the following meanings:

<b>"Accepting Shareholders"</b>	as defined in article 7.6;
<b>"Adoption Date"</b>	3 <sup>rd</sup> OCTOBER 2017;
<b>"A Loan Notes"</b>	the A1 Loan Notes and the A2 Loan Notes;
<b>"A1 Loan Notes"</b>	the series of 8% secured loan notes 2024 issued by the Company as constituted by the A1 Loan Note Instrument;
<b>"A Loan Note Instruments"</b>	the A1 Loan Note Instrument and the A2 Loan Note Instrument;
<b>"A1 Loan Note Instrument"</b>	the instrument constituting the A1 Loan Notes dated on or around the Adoption Date;
<b>"A2 Loan Notes"</b>	the series of 8% unsecured loan notes 2024 issued by the Company as constituted by the A2 Loan Note Instrument;
<b>"A2 Loan Note Instrument"</b>	the instrument constituting the A2 Loan Notes dated on or around the Adoption Date;
<b>"A Ordinary Shares"</b>	together the A1 Ordinary Shares and the A2 Ordinary Shares (which, save as expressly set out herein, shall be treated pari passu as if constituting one class of Share);
<b>"A1 Ordinary Shares"</b>	the A1 Ordinary Shares of £0.10 each in the capital of the Company having rights and privileges as set out in these Articles;
<b>"A2 Ordinary Shares"</b>	the A2 Ordinary Shares of £0.10 each in the capital of the Company having rights and privileges as set out in these Articles;
<b>"Approved Transferees"</b>	as defined in article 5.13;
<b>"Asset Sale"</b>	the disposal (in one transaction or a series of transactions) by the Company and / or its subsidiaries of all or substantially all of its and its subsidiaries'

	undertaking and assets;
<b>"Associate"</b>	as defined in article 7.1.3;
<b>"these Articles"</b>	these articles of association as amended from time to time (and reference to an <b>"article"</b> shall be construed accordingly);
<b>"B Loan Notes"</b>	the series of 5% secured loan notes 2019 issued by the Company as constituted by the B Loan Note Instrument;
<b>"B Loan Note Instrument"</b>	the instrument constituting the B Loan Notes dated on or around the Adoption Date;
<b>"B Ordinary Shares"</b>	together the B1 Ordinary and/or B2 Ordinary Shares (which, save as expressly set out herein, shall be treated pari passu as if constituting one class of Share);
<b>"B1 Ordinary Shares"</b>	the B1 Ordinary Shares of £0.10 each in the capital of the Company having rights and privileges as set out in these Articles;
<b>"B2 Ordinary Shares"</b>	the B2 Ordinary Shares of £0.01 each in the capital of the Company having rights and privileges as set out in these Articles;
<b>"Bad Leaver"</b>	a Leaver who is not a Good Leaver;
<b>"Bad Leaver Price"</b>	an amount equal to the nominal value of each Share (as applicable);
<b>"B Majority"</b>	the holders of a simple majority of the voting rights attaching to the B1 Ordinary Shares;
<b>"Bankruptcy"</b>	includes individual insolvency proceedings in a jurisdiction other than England and Wales or Northern Ireland which have an effect similar to that of bankruptcy;
<b>"Buyer"</b>	as defined in article 7.1.1;
<b>"C Loan Notes"</b>	the C1 Loan Notes and the C2 Loan Notes;
<b>"C1 Loan Notes"</b>	the series of 8% secured loan notes 2024 issued by the Company as constituted by the C1 Loan Note Instrument;
<b>"C2 Loan Notes"</b>	the series of 8% unsecured loan notes 2024 issued by the Company as constituted by the C2 Loan Note Instrument;
<b>"C1 Loan Note Instrument"</b>	the instrument constituting the C1 Loan Notes dated on or around the Adoption Date;
<b>"C2 Loan Note Instrument"</b>	the instrument constituting the C2 Loan Notes dated on or around the Adoption Date;
<b>"C Ordinary Shares"</b>	together the C1 Ordinary Shares, the C2 Ordinary Shares, the C3 Ordinary Shares, the C4 Ordinary Shares and the C5 Ordinary Shares (or any of them) (which, save as expressly set out herein, shall be

	<p>treated pari passu as if constituting one class of Share);</p>
<b>"C1 Ordinary Shares"</b>	<p>the C1 Ordinary Shares of £0.10 each in the capital of the Company having rights and privileges as set out in these Articles;</p>
<b>"C2 Ordinary Shares"</b>	<p>the C2 Ordinary Shares of £0.50 each in the capital of the Company having rights and privileges as set out in these Articles;</p>
<b>"C3 Ordinary Shares"</b>	<p>the C3 Ordinary Shares of £0.50 each in the capital of the Company having rights and privileges as set out in these Articles;</p>
<b>"C4 Ordinary Shares"</b>	<p>the C4 Ordinary Shares of £0.01 each in the capital of the Company having rights and privileges as set out in these Articles;</p>
<b>"C5 Ordinary Shares"</b>	<p>the C5 Ordinary Shares of £0.01 each in the capital of the Company having rights and privileges as set out in these Articles;</p>
<b>"call"</b>	<p>as defined, for the purposes of articles 35 to 41 only, in article 35.1;</p>
<b>"call notice"</b>	<p>as defined in article 35.1;</p>
<b>"cash alternative"</b>	<p>means in relation to any cash alternative consideration the sum ascribed to such cash alternative in the sale documentation for the relevant Share Sale or Asset Sale taking into account the aggregate purchase price of the entire issued share capital (in a Share Sale) or assets (in an Asset Sale) as being the market value of such cash alternative as at the proposed date of the Share Sale or Asset Sale;</p>
<b>"Cessation Date"</b>	<p>as defined in article 6.3.1;</p>
<b>"Companies Act"</b>	<p>the Companies Act 2006;</p>
<b>"Company's lien"</b>	<p>as defined in article 34.1;</p>
<b>"Competitive":</b>	<p>being engaged in (in any capacity) or having an interest (whether as principal or as a partner or employee or otherwise) in a trade, business or activity which competes with the trade, business or activities carried on by any Group Company at the relevant date (save as a holder of investments listed on a recognised stock exchange as long as not more than 3 per cent. of the issued shares or other security of any class of any one company are held by the individual at any one time);</p>
<b>"Controlling Interest"</b>	<p>as defined in article 7.1.4;</p>
<b>"Custodians"</b>	<p>as defined in article 6.6.2(b);</p>



<b>"D Loan Notes"</b>	the series of 8% unsecured loan notes issued by the Company as constituted by the D Loan Note Instrument;
<b>"D Loan Note Instrument"</b>	the instrument constituting the D Loan Notes dated on or around the Adoption Date;
<b>"E Loan Notes"</b>	the E1 Loan Notes and the E2 Loan Notes;
<b>"E1 Loan Notes"</b>	the series of 8% secured loan notes 2024 issued by the Company as constituted by the E1 Loan Note Instrument;
<b>"E2 Loan Notes"</b>	the series of 8% unsecured loan notes 2024 issued by the Company as constituted by the E2 Loan Note Instrument;
<b>"E1 Loan Note Instrument"</b>	the instrument constituting the E1 Loan Notes dated on or around the Adoption Date;
<b>"E2 Loan Note Instrument"</b>	the instrument constituting the E2 Loan Notes dated on or around the Adoption Date;
<b>"Directors"</b>	the Directors for the time being of the Company as a body or a quorum of the Directors present at a meeting of the Directors (and "Director" shall mean any one of such persons);
<b>"Disenfranchisement Notice"</b>	as defined in article 6.9.2;
<b>"distribution recipient"</b>	as defined in article 51.2;
<b>"EBT"</b>	any employee benefit trust in existence at the relevant time which was set up for the purposes of holding equity and/or debt securities issued by a Group Company on behalf of the directors, officers and employees of the Group;
<b>"eligible directors"</b>	as defined in article 14.3;
<b>"Encumbrance"</b>	means any interest or equity of any person (including any right to acquire, option or right of pre-emption or conversion) or any mortgage, charge, pledge, lien, assignment, hypothecation, security interest, title retention or any other security agreement or arrangement, or any agreement to create any of the above;
<b>"Equity Shares"</b>	the A Ordinary Shares, B Ordinary Shares and C Ordinary Shares;
<b>"Executive Director"</b>	a person appointed as a Director pursuant to article 3.7.2;
<b>"Exit Costs"</b>	the transactional costs of the holders of Shares in connection with the Realisation;
<b>"Facilities Agreement"</b>	as defined in the Investment Agreement;
<b>"Fair Value"</b>	fair value as agreed or determined under articles 5.6 and 5.7;

<b>"Finance Security"</b>	as defined in the Investment Agreement;
<b>"First Threshold Amount"</b>	£10,000,000;
<b>"fully paid"</b>	in relation to a Share, that the nominal value and any premium to be paid to the Company in respect of that Share have been paid to the Company;
<b>"Good Leaver"</b>	<p>a Leaver who:</p> <ul style="list-style-type: none"> <li>(a) ceases to be employed or engaged by a Group Company as a result of death; or</li> <li>(b) by virtue of mental or physical ill health is determined by at least one medical report from an independent medical specialist to be unable to perform all or substantially all of his duties as an employee or director of, or a consultant to, a Group Company for a period of at least 6 months and ceases to be an employee or director of, or a consultant to, a Group Company (and who in such case does not continue as an employee or director of, or a consultant to another Group Company other than under notice of termination) as a result thereof but excluding where such ill health arises as a direct result of an abuse of alcohol and/or drugs and/or any other substance (<b>Permanent Incapacity</b>); or</li> <li>(c) who ceases to be employed or engaged by a Group Company by reason of his voluntary resignation with Investor Approval;</li> <li>(d) ceases to be employed or engaged by a Group Company (and who in such case does not continue as an employee or director of, or a consultant to another Group Company other than under notice of termination) as a reason of wrongful dismissal; and</li> <li>(e) ceases to be employed or engaged by a Group Company (and who in such case does not continue as an employee or director of, or a consultant to another Group Company other than under notice of termination) and the Remuneration Committee, acting in its absolute discretion, designates (with Investor Approval) such person as a "Good Leaver".</li> </ul>
<b>"Group Company"</b>	the Company and any other company which is for the time being a subsidiary undertaking of the Company (and <b>"Group"</b> shall be construed accordingly);
<b>"holder"</b>	in relation to Shares, the person whose name is entered in the register of Members as the holder of the Shares;
<b>"holding company"</b>	a holding company within the meaning of section 1159 Companies Act but in addition as if that section provided that a body corporate is deemed to be a member of another body corporate where its rights in relation to that body corporate are held on its behalf or by way of security by another person but treated for the purposes

	of that section as held by it;
<b>"Institutional Investor"</b>	as defined in article 4.4.1(d);
<b>"Investment"</b>	means the total amount of cash invested by the LDC Entities in the Company prior to the Realisation Date (including by way of Shares, Loan Notes and any further shares and / or loan notes issued to the LDC Entities by the Company prior to the Realisation Date);
<b>"Investment Agreement"</b>	the Investment Agreement of even date with the Adoption Date between (1) Executives (2) Mark Dickinson (3) the Company (4) LDC, (5) LDC VI LP (6) LDC Parallel VI LP and (7) LDC Equity VI LP (8) Ian Peters and (a) Edward Minshall;
<b>"Investors"</b>	as defined in the Investment Agreement;
<b>"Investor Approval"</b>	the prior written consent or approval of Investors who together constitute an Investor Majority;
<b>"Investors' Cash Flow"</b>	<p>means the following receipts by the LDC Entities in respect of their Investment on or prior to or pursuant to a Realisation (but without counting any amount received more than once):</p> <ul style="list-style-type: none"> <li>(a) repayments or redemptions paid by the Company or any other member in the Group in respect of any part of the Investment (including any Loan Notes); and</li> <li>(b) cash paid by the Company or any other member in the Group in respect of any repayment or redemption of any part of the Investment (including any Loan Notes); and</li> <li>(c) dividends, distributions or interest paid by the Company or any other member in the Group in respect of any part of the Investment; and</li> <li>(d) the Investors' Proportion; and</li> <li>(e) the amount or benefit of any arrangement fees and expenses (excluding any Investor Director fees or expenses),</li> </ul> <p>and so that references to amounts paid shall be the actual payment gross of any direct, indirect or any other tax to be paid thereon or other withholding required by law (unless the LDC Entity does not obtain the benefit of the withholding) but net of the LDC Entity's share of any Exit Costs and so that references to the date of payment shall be to the date of actual payment (or the closest estimate thereof);</p>
<b>"Investor Director"</b>	a person appointed as a Director pursuant to article 3.7.1;
<b>"Investors' IRR"</b>	means the internal rate of return (expressed as an annual percentage) actually achieved on the Investment by reference to the Investors' Cash Flow up to and including the Realisation Date, such rate being

calculated in accordance with generally accepted industry practice and agreed between an Investor Majority and a B Majority or, in default of agreement, as conclusively reported as such by a Valuer (acting as expert and not arbitrator and whose report shall be final and binding on the Company and all its Members). The report of the Valuer shall be addressed to (and obtained at the cost, pro rata to their holdings immediately prior to the Realisation Date, of) the holders of the Shares;

**"Investor Majority"**

the holders of more than one half of the total number of A Ordinary Shares for the relevant time being in issue;

**"Investors' Proportion"**

means that amount of the Realisation Value as is attributable to the LDC Entities by virtue of the operation of these Articles (including pursuant to any Shares and Loan Notes and any further shares and / or loan notes issued to the LDC Entities by the Company after the Adoption Date);

**"Issue Price"**

the price per Share at which the relevant Shares are issued (being the aggregate of the amount paid up or credited as paid up in respect of the nominal value thereof and any share premium thereon) or acquired by any Leaver;

**"LDC"**

LDC (Managers) Limited (Company Number: 02495714);

**"LDC Entity"**

as defined in article 3.5.1(a);

**"Leaver"**

as defined in article 6.3, and for the avoidance of doubt Mark Dickinson shall be excluded from the definition of a Leaver for the purposes of these Articles.

**"Leaver Shares"**

as defined in article 6.4;

**"Liquidation"**

means the liquidation or winding up of the Company (except for the purposes of a solvent reorganisation, reconstruction or amalgamation where no cash or cash alternative is distributed to Members)

**"Listing"**

the admission of all or any of the share capital of the Company or any Group Company (or, where a new holding company of the Company or any Group Company is formed for the purpose of facilitating the admission, such new holding company) to the Official List of the UK Listing Authority becoming effective or the admission of the same to trading on the AIM Market of the London Stock Exchange plc becoming effective or the admission of the same to, or the grant of permission by any like authority for the same to be dealt in or traded on, any other equivalent or similar share market

**"Listing Shares"**

means the issued equity shares of the Company at the time of the Listing (excluding any shares to be subscribed and issued as part of the arrangements relating to such Listing, other than new shares to be paid up by way of capitalisation of reserves or arising from any sub-division, consolidation or conversion of shares)

<b>"Loan Notes"</b>	together the A Loan Notes, the B Loan Notes, the C Loan Notes D Loan Notes and the E Loan Notes or any of them (as applicable);
<b>"Mandatory Transfer Notice"</b>	as defined in article 5.4;
<b>"Member"</b>	any holder for the time being of Shares;
<b>"Offer"</b>	as defined in article 7.3;
<b>"Other Nominees"</b>	as defined in article 5.8.4;
<b>"Other Shareholders"</b>	as defined in article 7.6;
<b>"Permitted Transfer"</b>	as defined in article 4.4;
<b>"Prescribed Period"</b>	the period of 60 days referred to in either article 5.5.2 or article 5.6;
<b>"Priority Notice"</b>	as defined in article 6.6.1;
<b>"Priority Shares"</b>	as defined in article 6.6.2;
<b>"Proposed Transferee"</b>	as defined in article 5.5.1;
<b>"proxy notice"</b>	as defined in article 67.1;
<b>"Realisation":</b>	means a Share Sale, Asset Sale, Listing or Liquidation
<b>"Realisation Date"</b>	<ul style="list-style-type: none"> <li>(a) in respect of a Listing, the date on which dealings are permitted to commence in respect of the Listing Share);</li> <li>(b) in respect of a Share Sale, the date of completion of the Share Sale;</li> <li>(c) in respect of a Liquidation, the date of distribution of the surplus assets;</li> <li>(d) in respect of an Asset Sale, the date of completion of the Asset Sale.</li> </ul>
<b>"Realisation Value"</b>	as defined in article 3.2;
<b>"Relevant Officer"</b>	means any person who is or was at any time a director, secretary or other officer (except an auditor) of the Company or of any other Group Company;
<b>"Remuneration Committee"</b>	as defined in the Investment Agreement;
<b>"Sale Price"</b>	as defined in article 5.5.2 and article 5.6;
<b>"Sale Shares"</b>	as defined in article 5.3;
<b>"Second Threshold Amount":</b>	<p>the amount of returns received in aggregate by all Members, which results in the amount of returns received by the LDC Entities representing equal to or more than:</p> <ul style="list-style-type: none"> <li>(a) an aggregate Investors' Cash Flow for the LDC Entities which is equal to 3 x the Investment;</li> </ul>

	and
	(b) an Investors' IRR on the Investment which is equal to 25%;
<b>"Second Threshold Surplus"</b>	as defined in article 3.2.3;
<b>"Shares"</b>	(unless the context does not so admit) shares in the capital of the Company (of whatever class) (and reference to a <b>"Share"</b> shall be construed accordingly);
<b>"Share Sale":</b>	the sale of all or substantially all of the shares in the capital of the Company (in one transaction or as a series of transactions) except where following completion of the sale the Members and the proportions of shares held by each of them are the same as the shareholders and their shareholdings in the Company immediately prior to the Share Sale;
<b>"subsidiary"</b>	a subsidiary within the meaning of section 1159 Companies Act but in addition as if that section provided that its members are deemed to include any other body corporate whose rights in relation to it are held on behalf of that other body corporate or by way of security by another person but are treated for the purposes of that section as held by that other body corporate;
<b>"subsidiary undertaking"</b>	a subsidiary undertaking within the meaning of section 1162 Companies Act but in addition as if that section provided that its members are deemed to include any other undertaking whose rights in relation to it are held by way of security by another person but are treated for the purposes of that section as held by that other undertaking;
<b>"Total Transfer Condition"</b>	as defined in article 5.4;
<b>"Transfer"</b>	<p>the transfer of either or both of the legal and beneficial ownership in a Share and/or the grant or disposal of an option, warrant or other right to acquire either or both of the legal and beneficial ownership in such Share, and the following shall be deemed (but without limitation) to be a Transfer of a Share:</p> <ul style="list-style-type: none"> <li>(a) any direction (by way of renunciation or otherwise) by a person entitled to an allotment or issue of a Share that such Share be allotted or issued to some person other than himself;</li> <li>(b) any sale or other disposition of any legal or equitable interest in a Share (including any attached voting right) and whether or not by the registered holder thereof and whether or not for consideration or otherwise and whether or not effected by an instrument in writing;</li> <li>(c) any grant or creation of an Encumbrance over any Share; and</li> <li>(d) any agreement, whether or not subject to any conditions, to do any of the matters set out in</li> </ul>

paragraphs (a), (b) or (c),

(and **“Transferred”**, **“Transferor”** and **“Transferee”** shall be construed accordingly);

**“Transfer Notice”**

as defined in article 5.2;

**“Transmittee”**

a person entitled to a Share by reason of the death or Bankruptcy of a Member or otherwise by operation of law;

**“Valuer”**

as defined in article 5.6.2; and

**“Very Bad Leaver”**

any Leaver who:

- (a) serves notice on the Company to cease to be employed or engaged by reason of his voluntary resignation (other than (i) where the Leaver is a Good Leaver or (ii) where the reason for voluntary resignation is due to the Serious Ill Health of such Member’s wife, husband, common law spouse, or child (including adopted or step child)) within 2 years of the date of the first acquisition of shares by that Leaver, without Investor Approval;
- (b) serves notice on the Company to cease to be employed or engaged by reason of his voluntary resignation (other than (i) where the Leaver is a Good Leaver or (ii) where the reason for voluntary resignation is due to the Serious Ill Health of such Member’s wife, husband, common law spouse, or child (including adopted or step child)) after 2 years of the date of the first acquisition of shares by that Leaver, without a suitable replacement being in place, the identity and terms of appointment of which having received Investor Approval, acting reasonably;
- (c) at any time breaches any restrictive covenant set out in (i) the Investment Agreement, (ii) the Purchase Agreement (as defined in the Investment Agreement), or (iii) that Leaver’s service agreement or other contract of engagement with the Group; or
- (d) at any time is in material breach of the Investment Agreement or these Articles;
- (e) has been summarily dismissed for justifiable reasons under the terms of his service agreement or appointment letter;

where “Serious Ill Health” means by virtue of mental or physical ill health determined by at least one medical report from an independent medical specialist to be sufficiently ill to require full time care for a period of at least 6 months but excluding where such ill health arises as a direct result of an abuse of alcohol and/or drugs and/or any other substance;

<b>“Very Bad Leaver Price”</b>	an amount equal to the nominal value of each Share (as applicable).
<b>“Vested Shares”</b>	such proportion of the C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares or C5 Ordinary Shares (in respect of C5 Ordinary Shares allotted and issued to Mark Wright on the Adoption Date only) held by a Leaver and his Associates (as applicable) and included in a Transfer Notice as is set out below by reference to the period of time which has elapsed at the Cessation Date from the date of first acquisition of such shares by the Leaver: <ul style="list-style-type: none"> <li>(a) Less than 24 months : 0%</li> <li>(b) 24 months or longer but less than 36 months : 25%</li> <li>(c) 36 months or longer but less than 48 months: 37.5%</li> <li>(d) 48 months or longer: 50%;</li> </ul>
<b>“writing”</b>	the representation or reproduction of words, symbols or other information in a visible form by any method or combination of methods, whether sent or supplied in electronic form or otherwise.

### 1.3 In these Articles:

- 1.3.1 references to any statute or statutory provision shall include a reference to that statute or statutory provision as amended, extended, re-enacted or consolidated and to any statutory replacement thereof (either before or after the date hereof) from time to time and to any former statutory provision replaced (with or without modification) by the provision referred to, and shall also include reference to all statutory instruments and orders made pursuant to any such statutory provision;
- 1.3.2 reference to a person includes any legal or natural person, partnership, trust, company, government or local authority department or other body (whether corporate or unincorporated);
- 1.3.3 unless the context does not so admit, reference to an individual or individuals shall include his or their respective personal representatives;
- 1.3.4 unless the context does not so admit, reference to the singular includes a reference to the plural and vice versa and reference to the masculine includes a reference to the feminine and neuter; and
- 1.3.5 reference to any period of time or time limit in Articles 5 or 6 may be altered by the mutual agreement of the Transferor and the Board (with Investor Approval).

## PART A

### 2. Liability of Members

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

### 3. Share rights

The A Ordinary Shares, B Ordinary Shares and C Shares constitute separate classes of Shares. The A Ordinary Shares, B Ordinary Shares and C Ordinary Shares will rank equally for all



purposes unless otherwise stated in these Articles. The rights attaching to the respective classes of Shares shall be as follows:

### 3.1 Income

As regards income the Company may not distribute any profits in respect of any financial year unless and until Investor Approval to such distribution shall have been obtained. Subject thereto, any profits which the Company may determine to distribute in respect of any financial year shall be applied amongst the holders of the A Ordinary Shares, the B Ordinary Shares and the C Ordinary Shares (pari passu as if the same constituted one class of Share).

### 3.2 Capital

As regards capital:

On a Realisation or a return of assets on a reduction of capital or otherwise (other than an own share purchase made with Investor Approval), the surplus assets of the Company remaining after payment of its liabilities (on an Asset Sale or Liquidation) or the proceeds (in the case of a Share Sale, Listing or capital reduction or otherwise) shall be applied as follows (and before Exit Costs which shall be allocated to the Members according to their pro rata receipt of such surplus assets or proceeds):

- 3.2.1 firstly, the surplus assets or proceeds up to the First Threshold Amount shall be applied between the holders of the A1 Ordinary Shares, B1 Ordinary Shares, B2 Ordinary Shares, C1 Ordinary Shares, C2 Ordinary Shares and C4 Ordinary Shares (pari passu as if the same constituted one class of Share and by reference to the number of such Shares in issue) and for the avoidance of doubt the A2 Ordinary Shares, C3 Ordinary Shares and C5 Ordinary Shares shall have no entitlement up to the First Threshold Amount;
- 3.2.2 secondly, the surplus assets or proceeds above the First Threshold Amount up to and including the Second Threshold Amount which is available to the Members shall be applied between all Shares (pari passu as if the same constituted one class of Share and by reference to the number of Shares in issue);
- 3.2.3 thirdly, the surplus assets or proceeds above the Second Threshold Amount ("**Second Threshold Surplus**") which is available to all of the Members shall be applied as follows:
  - (a) the holders of the A Ordinary Shares shall be entitled to receive their pro rata share (as if all Shares constituted one class of Share and by reference to the number of Shares in issue but excluding for this purpose the surplus assets or proceeds of the Second Threshold Surplus which would otherwise be attributable to 15% of the total number of Shares in issue (such excluded amount being apportioned pro rata between the holders of the A Ordinary Shares)) of the Second Threshold Surplus;
  - (b) the holders of the C3 Ordinary Shares shall be entitled to receive their pro rata share (as if all Shares constituted one class of Share and by reference to the number of Shares in issue) of the Second Threshold Surplus and ignoring the exclusion of A Ordinary Shares under article 3.2.3 (a) above; and
  - (c) the balance of the surplus assets or proceeds after the application of article 3.2.3 (a) and (b) (including, for the avoidance of doubt, the amounts excluded under article 3.2.3 (a) above) shall be applied to the holders of the B Ordinary Shares and C Ordinary Shares other than the C3 ordinary Shares (pari passu as if the same constituted one class of Share according to the number of B Ordinary Shares and C Ordinary Shares in issue and held by them) (excluding the C3 Ordinary Shares for these purposes);

- 3.2.4 Notwithstanding the above provisions of this article 3.2, in respect of any Leaver (who is a Very Bad Leaver or a Bad Leaver (as applicable)) who is a holder of B Ordinary Shares and / or C Ordinary Shares and who continues to hold such Shares, the maximum entitlement of any such Shareholder in respect of any B Ordinary Shares and / or C Ordinary Shares held by them on a Realisation will be the Very Bad Leaver Price or the Bad Leaver Price (as applicable), and accordingly any excess assets or proceeds which would have been payable to the such Shareholder shall be distributed amongst the other holders of Shares according to the principles set out in articles 3.2.1, 3.2.2 and 3.2.3.

For the purposes of article 3, "**Realisation Value**": means the value of the issued Shares calculated as follows and on the basis that the relevant Realisation has been effected in accordance with its terms:

- (a) in the event of a Listing, the aggregate issue price of all of the Listing Shares determined by reference to the number of Listing Shares multiplied by the final price per share at which they are to be offered for sale, placed or otherwise marketed pursuant to the arrangements relating to the Listing, all as determined by the merchant bank or, if none, the broker appointed by the Company (with Investor Approval and prior written approval of a B Majority) to advise in connection with the Listing;
- (b) in the event of a Share Sale:
  - (i) if the Shares are to be sold by private treaty or otherwise (but not from a public offer) and the consideration is a fixed cash sum payable in full on completion of the Share Sale, the total amount of such cash sum;
  - (ii) if a written offer has been made for a cash consideration or, if the Share Sale is pursuant to any other public cash offer or public offer accompanied by a cash alternative, the total cash consideration or cash alternative price for all the shares of the Company for which the offer is made;
  - (iii) if the Share Sale is by private treaty or public offer and the consideration is the issue of securities (not accompanied by a cash alternative):
    - (A) if the securities will rank pari passu with a class of securities already admitted to trading on a Recognised Investment Exchange (as defined by section 285 of the Financial Services and Markets Act 2000) or on the AIM Market of the London Stock Exchange plc (in the case of a sale by private treaty) the value attributed to such consideration in the related sale agreement setting out the terms of such sale or, (in the case of a Sale following a public offer or failing any such attribution in the sale agreement) by reference to the value of such consideration determined by reference to the average middle market quotation of such securities over the period of 5 Business Days ending 3 days prior to the day on which the Share Sale is completed; or
    - (B) if the securities are not of such a class, the value of the relevant consideration as agreed between an Investor Majority and a B Majority or, in the absence of such agreement prior to the Realisation, such value as is reported on by the Valuers, in a report obtained for the purpose and addressed to (and at the cost, pro rata to their holdings immediately prior to the Realisation, of) the holders of the Shares;
  - (iv) to the extent that the Share Sale includes an element of consideration which is contingent and/or unquantified or deferred then no value shall be ascribed thereto in determining the Second Threshold Amount but the provisions of article (3.3) shall apply; and

- (v) if and to the extent that (i) to (iv) above are not applicable, the value of any relevant consideration as agreed between an Investor Majority and a B Majority or, in the absence of such agreement prior to the Realisation, such value as is reported on by the Valuers, in a report obtained for the purpose and addressed to the holders of Shares;
- (c) in the event of a Liquidation, the surplus assets available for distribution to Members after the payment of all liabilities of the Company (provided that the provisions of clause (3.3) shall apply in relation to any surplus asset that will be received that is contingent and / or unquantifiable and / or deferred and / or is a non-cash asset).
- (d) in the event of an Asset Sale, the aggregate amount available for payment in cash or cash alternative to the Members as a result of the Asset Sale by way of:
  - (i) dividend;
  - (ii) dividend on liquidation; and/or
  - (iii) consideration payable in respect of any shares purchased by the Company following completion of the Asset Sale;

Provided that:

- (iv) to the extent that the Asset Sale includes an element of consideration which is contingent and/or unquantified or deferred then no value shall be ascribed thereto in determining the Second Threshold Amount but the provisions of article (3.3) shall apply; and
- (v) if and to the extent that (i) to (iv) above are not applicable in respect of any element of the consideration, the value of any relevant consideration as agreed between an Investor Majority and a B Majority or, in the absence of such agreement prior to the Realisation, such value as is reported on by the Valuers, in a report obtained for the purpose and addressed to the holders of the Shares.

3.3 On each occasion on which any contingent and/or unquantified and/or deferred consideration not ascribed a value within the definition of Realisation Value shall in fact be received pursuant to a Realisation, the provisions of article 3.2 shall be reopened and reapplied as at the Realisation Date treating that late receipt as a non-contingent deferred consideration under the definition of "Realisation Value" and discounted (on a discounted cash flow basis) accordingly back to the Realisation Date to determine the allocation of the same and, for that purpose, the calculations used in allocating consideration already received shall be reworked provided always that:

- 3.3.1 no value already allocated shall be reallocated and this provision shall serve only to allocate the additional consideration received later;
- 3.3.2 although the receipt shall be discounted as aforesaid to determine how to allocate the same, the amount of such discount shall also be reallocated to the holders of Shares in the same proportion in which the discounted receipt is allocated; and
- 3.3.3 any shares issued as consideration shall be valued at their issue value not subsequent realisation value.

3.4 Immediately prior to and conditionally upon a Listing the Members shall enter into such reorganisation of the share capital of the Company as they may agree (or, in the absence of agreement reasonably prior to the Realisation Date of the Listing, such reorganisation as is reported on by an independent firm of chartered accountants appointed by (and at the cost of) the Company (with Investor Approval and a B Majority), in a report obtained for the purpose and addressed to the holders of Shares, to ensure that the Realisation Value is reallocated between the Members in the same proportions as the preceding provisions of these Articles would provide on a Realisation at that Realisation Value.

### 3.5 Voting

As regards voting:

3.5.1 Subject to articles 3.5.3, 6.4 and 6.9.2, the A1 Ordinary Shares, B1 Ordinary Shares, C1 Ordinary Shares, C2 Ordinary Shares and C3 Ordinary Shares shall respectively confer on each holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at all general meetings of the Company and to vote on written resolutions and on a poll or written resolution to exercise one vote per Share (in respect of each A1 Ordinary Share, B1 Ordinary Share, and C1 Ordinary Share) and four votes per Share (in respect of each C3 Ordinary Share) and five votes per Share (in respect of each C2 Ordinary Share) provided that:

- (a) in the case of the A2 Ordinary Shares for so long as LDC, LDC VI LP, LDC Parallel VI LP, LDC Equity VI LP, LDC (Nominees) Limited, LDC Parallel (Nominees) Limited or any holding company or subsidiary of LDC or any subsidiary of any such holding company (each an “**LDC Entity**”) shall be the legal or beneficial owner of A2 Ordinary Shares, such A2 Ordinary Shares so held shall confer no right to vote (subject always to article 3.5.3); and
- (b) for so long as an LDC Entity shall be the legal and/or beneficial owner of Shares, such Shares so held by LDC Entities shall not together confer more than 49.9% of the total voting rights of all Shares at any time (subject always to article 3.5.3).

3.5.2 The A2 Ordinary Shares, B2 Ordinary Shares, C4 Ordinary Shares and C5 Ordinary Shares shall not confer on any holder thereof (in that capacity) the right to receive notice of and to attend, speak and vote at any general meeting of the Company nor to vote on any written resolutions or any poll.

3.5.3 **Enhanced voting rights.** In the event that:

- (a) all or any part of the principal amount of the A Loan Notes, or any interest thereon, has become due for repayment or payment and has not been paid in full within seven days of notice to the Company from an Investor Majority requiring it to be remedied;
- (b) an event of default has occurred under the Facilities Agreement, the Finance Security or any debenture of the Company or any other Group Company, which breach (if capable of remedy) has not been remedied within seven days of notice to the Company from an Investor Majority requiring it to be remedied;
- (c) a material breach by the Company has occurred of the Investment Agreement (other than a breach of the warranties under Schedule 3 of the Investment Agreement) or these Articles, which breach (if capable of remedy) has not been remedied within seven days of written notice to the Company from an Investor Majority requiring it to be remedied;
- (d) an event of default has occurred under any of the financial covenants set out in paragraph 8 of part 1 of Schedule 4 of the Investment Agreement in the reasonable opinion of the Investors;
- (e) the statutory audited accounts of the Group, as delivered to the Investors in accordance with paragraph 3.1(a) of Part 1 of Schedule 4 of the Investment Agreement, contain a qualified or adverse opinion of any nature from the auditors or the auditors express reservations or doubts in such accounts as to the ability of the Group (or any Group Company) to continue as a going concern,

then, for so long as the matters set out in article 3.5.3 (a) or (b) or (c) or (d) subsist (or are not remedied to the reasonable satisfaction of an Investor Majority, acting reasonably), each holder of A1 Ordinary Shares shall (after becoming aware of the circumstances giving rise to the rights set out in this article 3.5.3 and an Investor Majority having served notice upon the Company that additional votes are to be exercised) be entitled, in that

capacity, to exercise on a poll vote at a general meeting, or on a vote on a written resolution such number of votes for every A1 Ordinary Share of which it is the holder as shall confer upon the A1 Ordinary Shares (as if they are one class of Share) ninety-five per cent (95%) of the total voting rights of all Shares in issue at the relevant time (and the votes of any other Shares in issue at the relevant time shall be reduced pro rata accordingly).

### 3.6 Class Rights

As regards class rights:

- 3.6.1 the special rights attaching to the A Ordinary Shares and the B Ordinary Shares (together as if they constituted one class of Share) may be varied or abrogated only if the variation or the abrogation applies in the same manner to the A Ordinary Shares and B Ordinary Shares and either:
- (a) the holders of an aggregate of three-quarters in number of the A Ordinary Shares (taken together) and the B Majority in issue consent in writing to the variation or abrogation; or
  - (b) resolutions are passed at separate general meetings of the holders of the A Ordinary Shares and the B Ordinary Shares pursuant to which the holders of an aggregate of three-quarters in number of the A Ordinary Shares (taken together) in issue and a B Majority sanction the variation or abrogation.
- 3.6.2 If at any time the holders of the A Ordinary Shares are entitled to enhanced voting rights pursuant to article 3.5.3 then notwithstanding any provision of these Articles to the contrary the rights attaching to any C Ordinary Shares may be varied or abrogated by written resolution signed by an Investor Majority without the consent of the holders of the relevant C Ordinary Shares.
- 3.6.3 The rights conferred upon the holders of any Shares shall not, unless otherwise expressly provided in the rights attaching to those Shares, be deemed to be varied by the issue of further Shares ranking *pari passu* with or in priority to them and accordingly such issue of such further Shares shall not require the consent of holders (as such holders) of any class of Shares.

### 3.7 Appointment of Directors

As regards appointment of Directors:

- 3.7.1 The holders of the A Ordinary Shares shall be entitled from time to time to appoint up to two persons as Directors of the Company and each other Group Company and to remove any such person from office, provided that the holders shall not be able to exercise the right to appoint such Directors to the extent that any appointment would result in the Directors appointed pursuant to this article together holding a majority of the votes capable of being cast at a meeting of the entire Board (taking into account any casting vote available in the event of an equality of votes) from time to time.
- 3.7.2 Save for so long as the matters set out in article 3.5.3 subsist, the holders of the B1 Ordinary Shares (acting by a B Majority) shall be entitled from time to time to appoint up to four persons as Directors of the Company (each an “**Executive Director**”) and each other Group Company and to remove any such person from office, provided that any persons so appointed at any time shall only be either (A) “Executives” (as defined in the Investment Agreement) and listed as “Executives” in the Investment Agreement either (i) as at the Adoption Date or (ii) have signed a deed of adherence to the Investment Agreement following the Adoption Date and who are holders of Shares or enterprise management incentive options over shares in the Company and / or (B) a holder of enterprise management incentive options over shares in the Company and /or (C) such persons as may be approved by the Remuneration Committee PROVIDED ALWAYS THAT:

- (a) this clause shall not prejudice the provisions of clauses 11.1 (in relation to the removal of an Executive Director as an employee) and 6.11 of the Investment Agreement or article 3.7.3; and
- (b) any persons removed as an Executive Director pursuant to clause 6.11 of the Investment Agreement shall not be entitled to be reappointed as an Executive Director by virtue of this article 3.7.2.

For the avoidance of doubt the rights of the Remuneration Committee to remove an Executive Director as an employee shall not be affected by this article 3.7.2.

3.7.3 At any time that the holders of A Ordinary Shares are entitled to additional votes at general meetings of the Company in respect of their A Ordinary Shares pursuant to article 3.5.3, the holders of the A Ordinary Shares shall be entitled to remove any Director from office and/or appoint any person as a Director in his place, provided that any person removed and/or replaced pursuant to this article 3.7.3, together with:

- (a) any other person removed pursuant to this paragraph within the previous six months; and
- (b) any Investor Directors,

do not constitute one half or more of the total number of Directors for the time being.

3.7.4 Subject to articles 3.7.1 and 3.7.2 any person or persons together entitled to exercise one half or more of the total number of votes which can then be cast on a poll at any general meeting of the Company may, with Investor Approval, from time to time (for so long as he or they remain so entitled) remove any or all of the Directors and/or appoint any person or persons as a Director or Directors of the Company.

3.7.5 Any such appointment or removal as is referred to in articles 3.7.1, 3.7.2, 3.7.3 or 3.7.4 above shall be made by notice in writing to the Company and/or the relevant Group Company signed, in the case of an appointment or removal made pursuant to articles 3.7.1 or 3.7.3, by or on behalf of an Investor Majority or made pursuant to article 3.7.2 by or on behalf of a B Majority (as applicable) and, in the case of an appointment or removal made pursuant to article 3.7.4, by or on behalf of such person or persons as are first referred to therein and served, in each case, upon the Company at its registered office (and article 72.2 shall not apply in respect of any notice served under this article 3.7).

3.7.6 Notwithstanding any provision of these Articles to the contrary, any person appointed as a Director pursuant to articles 3.7.1 and 3.7.2 may appoint such person as he thinks fit to be his alternate Director.

### **3.8 Quorums**

As regards quorums:

- 3.8.1 No meeting of Members shall be quorate unless those Members present include (whether in person or by a duly authorised representative or a proxy) at least one holder of A Ordinary Shares
- 3.8.2 Save with Investor Approval no meeting of the Directors held at any time when an Investor Director holds office as a Director of the Company shall be quorate unless at least one Investor Director (or a duly appointed alternate Director of such person) and (save for so long as the matters set out in article 3.5.3 subsist) one Executive Director is present at such meeting provided that no meeting shall be quorate where the number of Investor Directors at such meeting exceeds the number of non-Investor Directors.
- 3.8.3 If, in the case of either a meeting of the Directors or a meeting of Members, a quorum is not present within half an hour from the time appointed for the meeting, or if during a meeting such a quorum ceases to be present, the meeting shall stand adjourned to the same day in the next week at the same time and place (or at such other time and place

as the chairman of the relevant meeting may determine, with Investor Approval). In the case of any meeting so adjourned:

- (a) an Investor Majority or (as appropriate) an Investor Director shall not be required to attend in order for such adjourned meeting to be quorate where an Executive Director is present;
- (b) an Executive Director shall not be required to attend in order for such adjourned meeting to be quorate where an Investor Director is present.

#### **4. Share Transfers - general provisions; Permitted Transfers**

4.1 Types of Transfer. The Directors shall refuse to register the Transfer of any Share unless they are satisfied that such Transfer is either:

- 4.1.1 a Permitted Transfer; or
- 4.1.2 a Transfer made in accordance with and permitted under article 5; or
- 4.1.3 a Transfer made in accordance with articles 6 or 7.

4.2 Registration of Transfer. Subject as provided in article 46 in Part B of these Articles and article 4.3 or as required by law, the Directors shall register any such Transfer as is referred to in article 4.1.1, 4.1.2 or 4.1.3.

4.3 Deeds of Adherence. If, in relation to a Transfer of a Share, the Transferor thereof is a party to any agreement between the Company and some or all of its Members (being an agreement additional to these Articles) or if a new Share is proposed to be allotted to a person who is not a Member, then the Directors may or, if an Investor Majority so requires, shall:

- 4.3.1 require the Transferee or proposed allottee (as the case may be) to enter into a deed of adherence as required by the Investment Agreement (or a written undertaking in such form as the Directors may with Investor Approval prescribe) to be bound (to the same extent as the Transferor (in the case of a Transfer) or to such other extent as the Directors and/or an Investor Majority may reasonably stipulate) by the provisions of such agreement; and
- 4.3.2 decline to register the Transfer of, or to allot, such Share unless and until the Transferee or proposed allottee has entered into such written undertaking.

#### **4.4 Permitted Transfers.**

4.4.1 Subject to articles 4.3 and 4.4.2, a Member shall be permitted to Transfer a Share as set out below (each of which, together with the foregoing provisions of this article 4.4, is a "**Permitted Transfer**"):

- (a) if the Member is any of LDC VI LP, LDC Parallel VI LP or LDC Equity VI LP, to each other such entity, any other LDC Entity or any nominee or manager or custodian of any such entity; or
- (b) if the Member is a company, to any holding company or subsidiary of that Member or to any other subsidiary of any such Member's holding company for the purposes of a bona fide corporate reorganisation; or
- (c) to a person who is the beneficial owner of such Share or (in the case of legal title only) to a different or additional nominee or trustee on behalf of such beneficial owner (provided that such person has not become the beneficial owner thereof other than in accordance with the provisions of these Articles) or, in the case of a Transfer of the legal title and beneficial ownership of such Share by the trustee of an EBT, to a different trustee of the same or another EBT; or

- (d) if the Member is a person whose principal business is to make, manage or advise upon share investments (an “**Institutional Investor**”) (or a nominee of such a person or any person to whom any of them may have Transferred Shares pursuant to this article 4.4.1, or any subsequent Transferee of such Shares):
  - (i) to the beneficial owner or owners in respect of which the Transferor is a nominee or custodian or any other nominee or custodian for such beneficial owner or owners;
  - (ii) to any unitholder, shareholder, partner, participant, manager or adviser (or any employee or director of, or any consultant to, any such manager or adviser or of any company which is the subsidiary company, holding company or another subsidiary of the holding company of, or is associated with, such manager or adviser or to the trustees of any trust of any person of the type referred to in article 7.1.3(b)) in or of any of the Institutional Investors or of any investment fund, collective investment scheme or any co-investment scheme in respect of which an LDC Entity or the Transferor is the manager, adviser or administrator or a nominee or custodian (or of any such fund or scheme which otherwise co invests with the Institutional Investors at the Adoption Date);
  - (iii) to any other investment fund or collective investment scheme managed or advised by LDC from time to time (or any other entity which has assumed the whole or a substantial part of the functions of LDC) or any of its group companies or entities;
  - (iv) to a nominee or custodian of, or to any company which is the subsidiary company, holding company or another subsidiary of the holding company of, the Transferor or any of the persons referred to in sub-paragraphs (i), (ii), (iii) or (iv) of this article 4.4.1(d); or
  - (v) to Lloyds Banking Group plc or to any subsidiary or holding company of Lloyds Banking Group plc or to a subsidiary of such holding company of Lloyds Banking Group plc;
- (e) in accordance with articles 34.4, 41.2.3 or 43.5; or
- (f) to a Buyer pursuant to the provisions of article 7; or
- (g) with the prior written consent (which may be subject to terms and conditions) of both (i) an Investor Majority and (ii) a B Majority; or
- (h) where a Priority Notice has been given, to any prospective Transferees specified in such notice and, where Shares have been Transferred to Custodians (as referred to in article 6.6), to any subsequent Transfer by them of all or any such Shares made in accordance with article 6.6.3; or
- (i) with the prior written consent (which may be subject to reasonable terms and conditions) of an Investor Majority (not to be unreasonably withheld or delayed) if the Member is an individual, without article 7.2 applying, up to 49.9% of the aggregate holdings of B Ordinary Shares or C Ordinary Shares held by that individual to an Associate (within the meaning of paragraphs (a) and (b) of the definition of “**Associate**” contained in article 7.1.3) of such Member.

4.4.2 No such Permitted Transfer as is referred to in article 4.4.1 may be made in respect of or in relation to any Share which for the relevant time being is the subject of any Transfer Notice or Mandatory Transfer Notice.



## 5. Share Transfers – pre-emption provisions

- 5.1 General. Except in the case of a Permitted Transfer or a Transfer made in accordance with articles 6 or 7, the right to Transfer a Share shall be subject to the provisions contained in this article 5 and any such Transfer made otherwise than in accordance herewith shall be void.
- 5.2 Transfer Notice. Except in the case of a Permitted Transfer or a transfer made in accordance with articles 6 or 7, before Transferring any Share, the Transferor shall give notice in writing (a **"Transfer Notice"**) to the Company specifying the Shares, interests and/or rights of which the Transferor wishes to dispose. The Transferor shall, contemporaneously with the giving of a Transfer Notice, deliver up and lodge with the Company the share certificate(s) in respect of the relevant Shares.
- 5.3 Company as agent. Notwithstanding that a Transfer Notice specifies that the Transferor wishes to dispose only of an interest or right in, or arising from or attaching to, the Shares referred to therein (the **"Sale Shares"**), the Transfer Notice shall (notwithstanding anything in the Transfer Notice to the contrary) unconditionally constitute the Company the agent of the Transferor in relation to the sale of all the legal title to, beneficial ownership of and all interests and rights attaching to the Sale Shares referred to therein at the Sale Price in accordance with the provisions of this article 5. A Transfer Notice shall not be revocable except with the consent of the Directors.
- 5.4 Total Transfer Condition. Except in the case of a Transfer Notice which a Member is required to give or is deemed to have given pursuant to article 6 (a **"Mandatory Transfer Notice"**), a Transfer Notice may include a condition (a **"Total Transfer Condition"**) that if all the Sale Shares (of whatever class) are not sold to Approved Transferees, then none shall be so sold.
- 5.5 Details of Transfer Notice. Except in the case of a Mandatory Transfer Notice, the Transfer Notice may state, in addition to details of the Sale Shares:
- 5.5.1 *the name or names of a person or persons (such person or persons being hereinafter referred to as the **"Proposed Transferee"**) to whom the Sale Shares (or an interest or right in or arising therefrom) are proposed to be Transferred in the event that the Sale Shares are not acquired by Approved Transferees (as hereinafter defined); and*
- 5.5.2 *the entire consideration per Share for which any such Transfer will be made (and, if any of the said consideration is not a cash price expressed in pounds sterling, an amount per Share which is so expressed and which is commensurate with the entire consideration). In such event, subject to the Directors (acting with Investor Approval) being satisfied (and to that end being provided with such evidence as they may reasonably require) that the consideration so stated is a bona fide consideration (not inflated for particular reasons) agreed between the Transferor and the Proposed Transferee at arms' length and in good faith, such consideration shall be the Sale Price and the Prescribed Period shall commence on the date on which the Transfer Notice is given and shall expire 60 days thereafter.*
- 5.6 Determination of Sale Price. In the case of a Mandatory Transfer Notice or a Transfer Notice which does not state the further details referred to in article 5.5 then, subject always to articles 6.3 and 6.5:
- 5.6.1 *if, not more than 30 days after the date on which the Transfer Notice was given or was deemed to be given (or such longer period (if any) as the Directors with Investor Approval may, prior to the expiry of such period of 30 days, determine to allow for this purpose), the Transferor and the Directors (acting with Investor Approval) shall have agreed a price per Share as representing the fair value of the Sale Shares or as being acceptable to the Transferor and not more than the fair value thereof, then such price shall (subject always to articles 6.3 and 6.5) be the Sale Price and the Prescribed Period shall commence on the date on which such agreement is reached and shall expire 60 days thereafter; or*
- 5.6.2 *failing such agreement, upon the expiry of 30 days (or such longer period (if any) as aforesaid) after the date on which the Transfer Notice was given or was deemed to be given, the Directors shall instruct the auditors for the time being of the Company (or, if the*

auditors of the Company are unable or refuse to act, such other firm of accountants as the Directors may with Investor Approval instruct to act as valuer for the purposes of determining fair value ("**Valuer**") to determine and report to the Directors the amount per Share considered by the auditors (or Valuer, as applicable) to be the fair value of the Sale Shares and (subject always to articles 6.3 and 6.5) the amount per Share so determined and reported (or as otherwise determined in accordance with article 5.7) shall be the Sale Price and the Prescribed Period shall commence on the date on which the Sale Price is so determined and shall expire 60 days thereafter.

- 5.7 Auditors' costs; definition of fair value. For the purposes of article 5.6, the auditors (or Valuer, as applicable) shall act as experts and not as arbitrators and (save only for manifest error) their determination shall be final and binding upon the Company and all Members. The costs and expenses of the auditors (or Valuer, as applicable) in relation to the making of their determination shall be borne by the Company unless the Sale Price as so determined is less than 110% of that (if any) which the Directors (with Investor Approval) had notified to the Transferor as being in their opinion the Sale Price, in which event such costs and expenses shall be borne by the Transferor. Consequently, the Company and, if required by the Company or the auditors (or Valuer, as applicable), the Transferor shall be required to enter into any terms of engagement, retainer or other similar documents as applicable with the auditors (or Valuer, as applicable) to reflect the above engagement (including the arrangements as to costs). Any failure by the Transferor to enter into any terms of engagement, retainer or other similar documents as applicable shall (subject always to articles 6.3 and 6.5) result in the Sale Price being the price (if any) that the Directors (with Investor Approval) had notified to the Transferor as being in their opinion the fair value of the Sale Shares. For the purposes of article 5.6 and this article 5.7, the fair value of Sale Shares shall be the market value thereof as at the date when the relevant Transfer Notice or Mandatory Transfer Notice was given or deemed to have been given (as the case may be) as between a willing buyer and a willing seller at arms' length but with no discount being made by reason of such Shares (if such be the case) constituting a minority holding (and ignoring for valuation purposes any restrictions on transfer on such Shares under these Articles and on the assumption that the Sale Shares are sold free of all Encumbrances) (and the auditors (or Valuer, as applicable) shall be instructed accordingly).
- 5.8 Priority of offer. Subject as provided in articles 5.9 and 6.6, Sale Shares shall be offered for sale to all the Members of the Company for the relevant time being holding A Ordinary Shares, B Ordinary Shares or C Ordinary Shares but so that:
- 5.8.1 if and to the extent that the Sale Shares consist of A Ordinary Shares the holders for the time being of A Ordinary Shares (other than the Transferor or any Associate of the Transferor or any other Transferor or any Associate of such other Transferor) shall have a prior right to purchase the same ahead of the holders of B Ordinary Shares, who shall have a prior right to purchase the same ahead of the C Ordinary Shares; or
- 5.8.2 if and to the extent that the Sale Shares consist of B Ordinary Shares, the holders for the time being of B Ordinary Shares (other than the Transferor or any Associate of the Transferor or any other Transferor or any Associate of such other Transferor) shall have a prior right to purchase the same ahead of the holders of A Ordinary Shares, who shall have a prior right to purchase the same ahead of the C Ordinary Shares; or
- 5.8.3 if and to the extent that the Sale Shares consist of C Ordinary Shares, the holders for the time being of the B Ordinary Shares and C Ordinary Shares (pari passu as if such Shares constituted one class of share) (other than the Transferor or any Associate of the Transferor or any other Transferor or any Associate of such other Transferor) shall have a prior right to purchase the same ahead of the A Ordinary Shares; or
- 5.8.4 Sale Shares may also be offered to such person or persons (if any) as the Directors (with Investor Approval) think fit ("**Other Nominees**") provided that any such offer is made upon the condition that such Sale Shares shall only be available for purchase by such person or persons if and to the extent that such Shares are not acquired by holders of A Ordinary Shares, B Ordinary Shares and/or C Ordinary Shares following acceptance of such offers as are referred to in articles 5.8.1, 5.8.2 and 5.8.3.
- 5.9 Restricted offerees. The Company shall not be required to, and shall not, offer any Sale Shares to the Transferor, any Associate of the Transferor or any other Transferor or any Associate of

such other Transferor or any person who remains a Member but who has been deemed to have given a Mandatory Transfer Notice on or prior to the date on which any such offer as is referred to in article 5.8 is made. In addition, if, during the period between the date on which any such offer is made and (following the acceptance of such offer by a Member) the sale of Sale Shares to such Member is completed, such Member is deemed to have given a Mandatory Transfer Notice then such Member shall be deemed not to have accepted such offer and the relevant Sale Shares shall be re-offered for sale (at the same Sale Price and as if such price had been determined on the date on which the Mandatory Transfer Notice is deemed to have been given).

- 5.10 Priority of allocation. Any such offer as is required to be made by the Company pursuant to article 5.8 shall specify a time (not being less than 14 days or (unless an Investor Majority otherwise agrees or directs) more than 21 days) after such offer is made within which it must be accepted or, in default, will lapse. Following any such offer, if acceptances are received in respect of an aggregate number of Shares in excess of that offered, the number of Sale Shares shall (subject to article 6.6) be allocated according to the class of the Sale Shares on the following basis of priority (subject in each case as provided in article 5.9):
- 5.10.1 if the Sale Shares are A Ordinary Shares, first to the other holders of A Ordinary Shares, next to the holders of B Ordinary Shares, next to the holders of C Ordinary Shares and next to Other Nominees (if any); or
- 5.10.2 if the Sale Shares are B Ordinary Shares, first to the other holders of B Ordinary Shares, next to the holders of A Ordinary Shares, next to the holders of C Ordinary Shares and next to Other Nominees (if any); or
- 5.10.3 if the Sale Shares are C Ordinary Shares, first to the holders of the B Ordinary Shares and C Ordinary Shares, next to the holders of A Ordinary Shares (pari passu as if the A1 Ordinary Shares and A2 Ordinary Shares constituted one class of share) and next to Other Nominees (if any).
- 5.11 Excess allocations. If, by virtue of the application of the provisions in article 5.10, acceptances are received from any such class as therein referred to in respect of an aggregate number of Shares which is in excess of that offered, then the number of Sale Shares shall be allocated amongst those who have accepted the same in proportion to the number of Shares of the relevant class held by each acceptor (or in the case of Other Nominees on such basis as the Directors (with Investor Approval) shall determine) provided that no acceptor shall be obliged to acquire more Sale Shares than the number for which he has applied and so that the provisions of this article 5.11 shall continue to apply mutatis mutandis until all Shares which any such acceptor would, but for this proviso, have acquired on the proportionate basis specified above have been allocated accordingly.
- 5.12 Take-up of all Sale Shares. If a Transfer Notice shall validly contain a Total Transfer Condition in accordance with article 5.4 then any such offer as aforesaid shall be conditional upon such condition being satisfied and no acceptance of an offer of Sale Shares will become effective unless such Total Transfer Condition is satisfied. Subject thereto, any such offer as is required to be made by the Company pursuant to article 5.8 shall be unconditional.
- 5.13 Sale to Approved Transferees. If, prior to the expiry of the Prescribed Period, the Company shall, pursuant to the foregoing provisions of this article 5, find Members or Other Nominees (or such other persons, including itself, as may have been specified in a Priority Notice pursuant to article 6.6) (all such purchasers, "**Approved Transferees**") to purchase some or, if the relevant Transfer Notice validly contains a Total Transfer Condition, all of the Sale Shares it shall forthwith give notice in writing thereof to the Transferor and the Approved Transferees. Every such notice shall state the name and address of each of the Approved Transferees and the number of the Sale Shares agreed to be purchased by him/it and shall specify a place and time and date (not being less than three days nor more than 10 days after the date of such notice) at which the sale and purchase shall be completed. Upon the giving by the Company of any such notice as aforesaid the Transferor shall be unconditionally bound (subject only to due payment of the Sale Price) to complete the sale of the Sale Shares to which such notice relates in accordance with its terms.
- 5.14 Failure to Transfer. If a Transferor shall (save only for the reason that an Approved Transferee does not duly pay the Sale Price) fail duly to Transfer (or complete the Transfer of) any Sale

Shares to an Approved Transferee, the Directors shall be entitled to, and shall, authorise and instruct some person to execute and deliver on his/its behalf the necessary Transfer instrument and the Company may receive the purchase money in trust for the Transferor without any obligation to pay interest and (notwithstanding (if such is the case) that the Transferor has failed to deliver up the relevant share certificate(s)) shall (subject to so receiving the purchase money) cause such Approved Transferee to be registered as the holder of such Shares. The Transfer and the receipt of the Company for the purchase money shall constitute a good title to the Sale Shares and the receipt shall be a good discharge to the Approved Transferee, who shall not be bound to see to the application of the purchase money and whose title to the Sale Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to their disposal under this article.

**5.15 Sale to Proposed Transferee; restrictions on such sale.**

5.15.1 If the Company shall not, prior to the expiry of the Prescribed Period, find Approved Transferees willing to purchase some, or, if the relevant Transfer Notice validly contains a Total Transfer Condition, all of the Sale Shares, it shall, as soon as practicable following such expiry, give notice in writing thereof to the Transferor and the Transferor, at any time thereafter up to the expiration of 60 days from the date of such notice, shall, (subject as provided below) be at liberty to, subject to article 7.2, Transfer those of the Sale Shares not purchased by Approved Transferees or all of the Sale Shares (as the case may be) to the Proposed Transferee or, where the Transfer Notice did not contain details of a Proposed Transferee, to any one person with the approval of the Board (acting with Investor Approval) (which may not be unreasonably withheld) on a bona fide sale at any price not being less than the Sale Price. The Directors may require the Transferor to provide evidence to them (to their reasonable satisfaction) that such Shares are being Transferred in pursuance of a bona fide sale for the consideration stated in the Transfer Notice without any deduction, rebate, allowance or indulgent terms whatsoever to the purchaser thereof and, if not so satisfied, may refuse to register the instrument of Transfer and/or serve a Disenfranchisement Notice with the effect set out in article 6.9.2 in respect of such Shares as shall have been so sold.

5.15.2 The provisions of the immediately preceding paragraph shall not apply to any Sale Shares which so became by virtue of the holder thereof having been deemed to have given a Mandatory Transfer Notice in respect thereof. In such event, such holder shall not be permitted to Transfer all or any of the same as provided in article 5.15.1 above (and, accordingly, the provisions in article 5 shall apply if such holder subsequently determines to seek to Transfer the same).

5.15.3 The Directors may decline to register a transfer of the Sale Shares to a Proposed Transferee or other person under Article 5.15.1 where (acting reasonably) the Directors believe the it is not in the best interests of the Company to have the transferee as a shareholder.

5.16 No Encumbrances; dividends. Any Share required to be Transferred by a Transferor to an Approved Transferee pursuant to this article shall be Transferred free from all Encumbrances and with the benefit of all rights and entitlements attaching thereto and if, in determining the Sale Price, there was taken into account any entitlement to any dividend which has been paid prior to the date on which the Transfer is registered then the Transferor shall be liable to account to the Approved Transferee for the amount thereof (and the Approved Transferee, when making payment for such Share, may set-off such amount against the Sale Price payable).

**6. Share Transfers - Mandatory Transfer Notice; Leaver provisions**

6.1 Deemed Mandatory Transfer Notice. If any person shall purport to Transfer any Share other than as a Permitted Transfer or in accordance with the provisions of articles 5 or 7, such person and any Associate of such person who is a Member shall, unless and to the extent (if any) that the Directors (with Investor Approval) otherwise determine at the relevant time, be deemed to have given, on the date on which the Directors give notice to such person that they have become aware of the purported Transfer (or on such other date (if any) specified in such notice), a Mandatory Transfer Notice in respect of all Shares of which such person and any such Associate of such person is then the holder.

- 6.2 Death, Bankruptcy or liquidation. If any person becomes entitled to Shares in consequence of the death, Bankruptcy or liquidation of a Member in circumstances where the provisions of article 6.3 do not apply then (unless a Transfer to such person would be a Permitted Transfer or the Directors (with Investor Approval) determine otherwise at the relevant time) a Mandatory Transfer Notice shall be deemed to have been given on such date as the Directors shall specify in writing to the person concerned in respect of all Shares held by the Member and any Associate of such Member.
- 6.3 Leavers. If at any time any director, employee or consultant to any Group Company shall cease to be such (or notice has been served by or on such person terminating his directorship, employment or consultancy) in circumstances where such person does not continue in any position as either a director, employee or consultant to any Group Company (or continues but only under notice of termination) (the “**Leaver**”) then any Shares held by that person and/or any Associate of such person (whether held directly or indirectly), including any Shares to be issued pursuant to any option arrangements, shall cease to confer any voting rights in accordance with Article 6.9.2 (unless the Company has received a written direction from an Investor Majority to the contrary pursuant to article 6.4), and the following shall apply:
- 6.3.1 the date on which the Leaver becomes a Leaver shall be the “**Cessation Date**”; provided always that where a Leaver has served notice on a Group Company or a Group Company has served notice on him then, if an Investor Majority so notifies the Company in writing, the Cessation Date shall be deemed to be the date of service of such notice (or such later date during the relevant notice period as the Investor Majority shall specify in its notice to the Company);
- 6.3.2 (unless and to the extent that an Investor Majority agrees otherwise at the relevant time) there shall be deemed to have been given a Mandatory Transfer Notice on the Cessation Date (or such later date (if any) as the Directors (with Investor Approval) may determine and notify in writing to the person concerned) in respect of all Shares then owned and/or held by the Leaver and any Associate of the Leaver (whether held directly or indirectly) (or held by an employee benefit trust or equivalent on his/their behalf), or to be issued pursuant to any option arrangements;
- 6.3.3 (unless and to the extent that an Investor Majority determines otherwise in favour of the Leaver) if the Leaver is a Bad Leaver (but not a Very Bad Leaver) the Sale Price of all the C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares and C5 Ordinary Shares (in respect of the C5 Ordinary Shares issued and allotted on the Adoption Date to Mark Wright only) which have not become Vested Shares and which are the subject of the Mandatory Transfer Notice shall be the Bad Leaver Price and the Sale Price of the Vested Shares shall be Fair Value. For the avoidance of doubt if the Leaver is a Very Bad Leaver, none of the C Ordinary Shares held by that Leaver shall become or be treated as Vested Shares and the Sale Price of all such C Ordinary Shares the subject of the Mandatory Transfer Notice shall be the Bad Leaver Price;
- 6.3.4 if the Leaver is a Good Leaver, the Sale Price of all the C1 Ordinary Shares, C2 Ordinary Shares, C3 Ordinary Shares, C4 Ordinary Shares and C5 Ordinary Shares (in respect of the C5 Ordinary Shares issued and allotted on the Adoption Date to Mark Wright only) the subject of the Mandatory Transfer Notice shall be Fair Value;
- 6.3.5 if the Leaver is not a Very Bad Leaver, the Sale Price of all the B Shares the subject of the Mandatory Transfer Notice shall be Fair Value;
- 6.3.6 (unless and to the extent that an Investor Majority determines otherwise) if the Leaver is a Very Bad Leaver the Sale Price of all the B Ordinary Shares the subject of the Mandatory Transfer Notice shall be Very Bad Leaver Price; and
- 6.3.7 where the Leaver holds C5 Ordinary Shares (other than in respect of the C5 Ordinary Shares issued and allotted to Mark Wright on the Adoption Date), all of the C5 Ordinary Shares the subject of the Mandatory Transfer Notice shall be the lower of Issue Price or Fair Value;

- 6.3.8 if at any time a former director (or former employee of or former consultant to any Group Company shall, after ceasing to be such a director, employee or consultant, acquire (or any Associate of his shall acquire or an EBT shall acquire on his behalf) any Shares pursuant to an option, conversion or like right which was granted to or otherwise vested in him prior to such cessation then the provisions of article 6.3.1 above shall apply as if reference in article 6.3.1 to "Cessation Date" were reference to the date on which he acquired such Shares.
- 6.4 Leaver Shares. If at any time any director or employee of, or consultant to, any Group Company shall become a Leaver and shall not continue as a director or employee of or consultant to any Group Company (other than under notice of termination) and such person and/or any Associate(s) of such person who has received Shares from him shall be the holder of any Shares then the Shares held by such person and his Associates (the "**Leaver Shares**"):
  - 6.4.1 shall cease to confer any right to vote on any written resolution of the Company or of any class of Share, or to receive notice of or attend, speak or vote at any general or class meeting of the Company, unless the Company has received a written direction from an Investor Majority to the contrary; and
  - 6.4.2 any Leaver Shares shall be treated as though they confer votes in the same manner as the remaining class or classes of Shares comprising the Leaver Shares when:
    - (a) calculating whether or not a Controlling Interest has been acquired for the purpose of the provisions of article 7; and
    - (b) calculating the fair market value of such Leaver Shares in accordance with articles 5.6 or 5.7.
- 6.5 Competing Shareholders: If at any time any holder of any Shares (whether directly or indirectly through an EBT) or individual having the right to acquire Shares, or any of his Associates becomes Competitive (without Investor Approval) then the Shares held by such person (the "**Competitor**") and his Associates (or held by an EBT on his/her behalf), including any Shares to be issued pursuant to any option arrangements, shall be subject to the following:
  - 6.5.1 (unless and to the extent that an Investor Majority agrees otherwise at the relevant time) there shall be deemed to have been given on the date the Directors become aware that the individual or any of his Associates has become Competitive (or such later date (if any) as the Directors (with Investor Approval) may determine and notify in writing to the person concerned) a Transfer Notice in respect of all Shares then owned and/or held by the Competitor and any Associate of the Competitor (or held by an EBT on his/their behalf) or to be issued under any option arrangement;
  - 6.5.2 (unless and to the extent that an Investor Majority determines otherwise):
    - (a) if the Competitor or his Associates is in breach of any restrictive covenants in favour of the Company or the Investors, the Sale Price of all the Shares the subject of the Transfer Notice shall be the Very Bad Leaver Price;
    - (b) if the Competitor and Associates are not in breach of any restrictive covenants in favour of the Company or the Investors, the Sale Price of all the Shares the subject of the Transfer Notice shall be Fair Value. For the avoidance of doubt, to the extent applicable to Mark Dickinson (in the event he shall become a Competitor (notwithstanding the fact he is not a party to any restrictive covenants in favour of the Company or the Investors) the provisions of this article 6.5.2 (b) shall apply in respect of the Shares held by Mark Dickinson.
- 6.5A If after the determination of the Sale Price in accordance with article 6.3, it is established by the Board that the Leaver should have been classed as a Very Bad Leaver or he breached any of the restrictive covenants in favour of the Company or the Investors then the Sale Price shall be adjusted to the Very Bad Leaver Price and any of the Sale Price paid to the Leaver which

exceeded the Very Bad Leaver Price shall be repayable to the Company or its shareholders (as applicable) immediately.

## 6.6

- 6.6.1 Priority Notice for buy-back, cancellation or reallocation of Shares. In respect of any Transfer Notice, the Company shall forthwith give written notice of such occurrence (such notice to include details of all the Shares to which such Transfer Notice relates) to each holder of A Ordinary Shares. If within 21 days of the giving of such notice by the Company an Investor Majority requires, by written notice to the Company (a **"Priority Notice"**) that all or any Shares to which such Transfer Notice relates should (in any combination) be offered (subject to the Companies Act) to the Company by way of a share buy-back, be cancelled pursuant to a reduction of share capital or be made or kept available either for any person or persons who is or are (an) existing director(s) and/or employee(s) of a Group Company or any person or persons (whether or not then ascertained) whom in the opinion of such Investor Majority it will be necessary or expedient to appoint or employ as (a) director(s) and/or employee(s) of a Group Company, whether or not in place of the person by whom the relevant Transfer Notice was deemed to be given, then the provisions of article 6.6.2 below shall apply. If a Priority Notice is not served within such 21 day period, article 5 shall apply to the Shares to which such Transfer Notice relates.
- 6.6.2 Priority Shares. If a Priority Notice is given, then, in relation to the Shares the subject thereof (the **"Priority Shares"**), the provisions of article 5.8 to article 5.16 (inclusive) shall not apply and the Priority Shares shall:
- (a) be offered to the person(s) (which may include, without limitation, the Company, subject to compliance with the Companies Act) and, in the case of more than one person, in the proportions, specified in the Priority Notice (conditional, in the case of any prospective director and/or employee, upon his taking up his proposed appointment or employment with a Group Company (if not then taken up)); and/or
  - (b) if the relevant Priority Notice so requires, be offered to not less than two persons or a company or an EBT designated by an Investor Majority (**"Custodians"**) to be held (in the event of their acquiring the Priority Shares) on and subject to the terms referred to in article 6.6.3 below; and/or
  - (c) if the relevant Priority Notice so requires, and subject to compliance with the Companies Act, be cancelled pursuant to a reduction of share capital (and this article constitutes the Leaver's and the Leaver's Associates' consent to such reduction), with the Leaver and the Leaver's Associates (if any) receiving in respect of each such Share held by them an amount equal to the amount the Sale Price would have been if the Priority Shares had been sold (and not cancelled) pursuant to these Articles.
- 6.6.3 Custodians as holders of Priority Shares. If Custodians become the holders of Priority Shares, then, (unless and to the extent that the Directors with Investor Approval otherwise agree from time to time) they shall hold the same on, and subject to, the following terms:
- (a) they may exercise the voting rights (if any) for the time being attaching to the Priority Shares as they think fit;
  - (b) save with Investor Approval, they shall not encumber the same;
  - (c) they will (subject as provided in article 6.6.4. below) Transfer the legal title to the Priority Shares and all such other interests as they may have therein to (and only to) such person or persons and at such time or times and otherwise on such terms as the Board and an Investor Majority may from time to time direct by notice in writing to the Custodians provided that the Custodians may not be required to enter into any agreement or otherwise take any action if and to the

extent that they would or might incur any personal liability (whether actual or contingent) or suffer any personal loss; and

- (d) if an offer is made to the Custodians for the Priority Shares (whether as part of a general offer or otherwise) then they shall seek instructions from the holders of the A Ordinary Shares as to what (if any) actions they should take with regard thereto but, absent instructions from an Investor Majority within 14 days of seeking the same, the Custodians may accept or decline to accept such offer, as they think fit.

6.6.4 Transfer restrictions on Custodian Shares. Unless the Directors agree otherwise, an Investor Majority may not direct the Custodians to Transfer the legal title to all or any Priority Shares other than to any person or persons referred to in article 6.6.1 or to an EBT.

6.7 Change of control of corporate Member. If a corporation which is a holder and/or beneficial owner of any Shares in the Company ceases to be controlled by the person or persons who were in control of the corporation at the time when the corporation became a Member of the Company, it shall, within seven days of such cessation of control, give notice in writing to the Company of that fact and unless the Directors (with Investor Approval) determine otherwise at the relevant time there shall be deemed to have been given on the date on which the Directors become aware of such cessation (however they become so aware) a Mandatory Transfer Notice in respect of all Shares held and/or beneficially owned by such corporation and any Associate(s) of such corporation. For the purposes of this article 6.7 “control” shall have the same meaning as in sections 450 and 451 Corporation Tax Act 2010. The provisions of this article 6.7 shall not apply to any corporation which holds A Ordinary Shares at the time when these provisions would otherwise operate or any holding company for the time being of any such corporation or any subsidiary of any such holding company.

6.8 Transfers to Associates. If a person in whose favour a Permitted Transfer was made pursuant to article 4.4.1(i) shall cease to be an Associate of the person by whom such Transfer was made then, within seven days of such cessation he shall either (i) Transfer the legal and beneficial title to the Shares back to the original Member provided the original Member is still a director or an employee of, or a consultant to, a Group Company and is not the subject of a Mandatory Transfer Notice, or, (ii) give notice in writing to the Company of the fact that he has ceased to be an Associate of such person and, unless the Directors (with Investor Approval) determine otherwise at the relevant time, there shall be deemed to have been given on the date on which the Directors become aware of such cessation (however they become so aware) a Mandatory Transfer Notice in respect of all Shares held by such person and any Associate of such person provided that in the event of the death of a person in whose favour a Permitted Transfer was made pursuant to article 4.4.1(i), the person by whom such Permitted Transfer was made shall have a period of 30 days within which to re-acquire the Shares so Transferred, failing which a Mandatory Transfer Notice shall be deemed to have been given in respect of those Shares.

6.9 Enquiry by Directors: disenfranchisement. For the purpose of ensuring that a Transfer of Shares is a Permitted Transfer or that no circumstances have arisen whereby a Transfer Notice or Mandatory Transfer Notice is required or may be deemed to have been given under any provision of articles 5 or 6, the Directors may from time to time require any Member or the personal representatives of any deceased Member or any person named as Transferee in any instrument of Transfer lodged for registration or any person who was, is or may be an Associate of any of the foregoing, to furnish to the Company such information and evidence as the Directors may think fit regarding any matter which they may deem relevant to such purpose. If such information or evidence discloses that a Transfer Notice ought to have been given in respect of any Shares the Directors may by notice in writing stipulate that a Mandatory Transfer Notice shall as from the date of such notice (or on such future date as may be specified therein) be deemed to have been given by the holders of those Shares and/or their Associates in respect of all or any of such Shares. Failing such information or evidence being furnished to the reasonable satisfaction of the Directors within a reasonable time after request, the Directors shall be entitled:

- 6.9.1 to refuse to register the Transfer in question or, in case no Transfer is in question, to require by notice in writing to the holder(s) of the relevant Shares that a Transfer Notice be given in respect of all such Shares (and such notice may stipulate that if a Transfer Notice is not given within a specified period then, upon the expiry of such period, a



Mandatory Transfer Notice shall be deemed to have been given in respect of all the relevant Shares); and/or

- 6.9.2 to give to the holder(s) of the Shares in question a notice (“a **Disenfranchisement Notice**”) stating that such Shares shall as from the date of such notice no longer confer any right to vote on any written resolution of the Company or of any class of Share, or to receive notice of, attend, speak or vote at any general or class meeting of the Company, or to receive or be entitled to receive any dividend or other distribution until such time as the Directors shall think fit and, as from such date, such Shares shall no longer confer any such rights accordingly.
- 6.10 Interested Directors. A Director (not being an Investor Director) shall be regarded as having an interest which is material and which conflicts with the interests of the Company in (and accordingly shall not (unless prior written consent from the Investor Director(s) is obtained) be entitled to vote in relation to) any matter which requires to be determined or otherwise decided upon by the Directors pursuant to or for the purposes of articles 4, 5 or 6 to the extent such matter relates to any Shares held by such Director or any Associate of such Director or in which such Director is otherwise interested.
- 6.11 Delivery of share certificates. In any case, where a Mandatory Transfer Notice has been deemed to have been given by a Member, such Member shall, upon demand by the Company, deliver up to and lodge with the Company, the share certificate(s) in respect of the relevant Shares.

## **7. Transfer of a Controlling Interest**

### **7.1 Definitions**. For the purposes of this article:

- 7.1.1 the expression “**Buyer**” means any one person (whether or not an existing Member of the Company) but so that any Associate of any such person shall be deemed to be such person;
- 7.1.2 the expression “**acquire**” means to be or become the legal and/or beneficial owner of Shares (or the right to exercise the votes attaching to Shares), whether directly or indirectly and whether by the issue, Transfer, renunciation or conversion of Shares or otherwise and whether all at one time or not;
- 7.1.3 the expression “**Associate**” means:
- (a) the husband, wife, common law spouse, civil partner, mother, father, grandmother, grandfather, brother, sister, child (including adopted or step child) or other lineal descendant of the relevant person;
  - (b) the trustees of any settlement (whether or not set up by the relevant person) under which the relevant person and/or any other Associate of the relevant person is or is capable of being a beneficiary;
  - (c) any nominee or bare trustee for the relevant person or any other Associate of the relevant person;
  - (d) if the relevant person is a company, any subsidiary or holding company of the relevant person and any other subsidiary of any such holding company;
  - (e) any person with whom the relevant person or any Associate of the relevant person is connected, the question of whether any such person is so connected falling to be determined for this purpose in accordance with the provisions of sections 1122 and 1123 Corporation Tax Act 2010; and
  - (f) any person with whom the relevant person is acting in concert (such expression to have the same definition and meaning as that ascribed thereto in the City Code on Take-overs and Mergers as for the relevant time being current);

### **7.1.4**

- (a) subject as provided in sub-paragraph (b) and (c) below, the expression “a **Controlling Interest**” means Shares (or the right to exercise the votes attaching to Shares) which confer in the aggregate 50 per cent or more of the total voting rights conferred by all the A Ordinary Shares in the capital of the Company for the relevant time being in issue and conferring the right to vote at all general meetings;
- (b) a person, being a holder of A Ordinary Shares, shall not be deemed to have acquired a Controlling Interest by virtue of the fact that the holders of the A Ordinary Shares become, pursuant to article 3.5.3, entitled to additional votes at general meetings of the Company;
- (c) a person, being a holder of B Ordinary Shares and C Ordinary Shares, shall not be deemed to have acquired a Controlling Interest by virtue of the fact that the holders of the B Ordinary Shares and C Ordinary Shares treated for these purposes as one class hold more than 50% of the total voting rights and there is a transfer of shares held by one holder of B Ordinary Shares and C Ordinary Shares to another existing holder of B Ordinary Shares and/or C Ordinary under these Articles whether a permitted transfer or otherwise.

- 7.2 **Tag-along rights.** Notwithstanding anything to the contrary contained in these Articles no Buyer shall be entitled or permitted to acquire, and no person shall Transfer any Shares if, as a result, a Buyer (any Shares or any interest in any Shares held by an Associate of the Buyer being treated as being held by the Buyer for this purpose) would acquire a Controlling Interest in the Company (otherwise than pursuant to a Permitted Transfer under articles 4.4.1 (a), (b), (c) or (d)), unless and until the Buyer has first made offers, in accordance with articles 7.3 and 7.4 to all the holders of all Shares and in the Company and Loan Notes at the relevant time (of whatever class) (other than the Buyer if he is already such a holder) to purchase from them their entire holdings of Shares and Loan Notes (or procure the repayment of such Loan Notes) in the capital of the Company.
- 7.3 **Consideration for Offer.** Each such offer as is referred to in article 7.2 (an “Offer”) must, in respect of each class of the Company’s share capital, be in cash or be accompanied by a cash alternative at not less than the highest consideration paid or agreed to be paid by the Buyer (or his Associates) for Shares of that class during the period when the Offer remains open for acceptance or within 12 months prior to its commencement. The proceeds of the matters referred to in articles 7.2 and this 7.3 shall be distributed as provided in article 3.2.
- 7.4 **Terms of Offer.** In addition, any Offer must be made in writing, must be open for acceptance and irrevocable for a period of not less than 30 and not more than 60 days, must not save with Investor Approval contain any requirement for any holder of A Ordinary Shares to give any representations, warranties or undertakings other than as to their capacity and capability to sell the relevant Shares and all rights thereto and interests therein free from any option, lien, charge or other encumbrance and must not be subject to any condition save only, if the Buyer so wishes, that acceptances must be received for a specified percentage of all the Shares in respect of which the Offer is made.
- 7.5 **Expiry of Offer.** If within 60 days of the making of an Offer, the Buyer has not acquired a Controlling Interest then such Offer shall be deemed not to have been made to the extent that the Buyer shall not be entitled to acquire a Controlling Interest at any time thereafter unless and until he has made further Offers.
- 7.6 **Drag-along right.** If, in respect of an Offer the holders of not less than 50 per cent of all the issued A Ordinary Shares then in issue (the “**Accepting Shareholders**”) have indicated that they wish to accept the Offer, then the Accepting Shareholders shall give written notice to the remaining holders of the Shares (the “**Other Shareholders**”) and the Company of their wish to accept the Offer and the Other Shareholders shall thereupon:
- 7.6.1 become bound to accept the Offer in respect of all Shares and Loan Notes held by him (on the basis the proceeds are distributed as provided in article 3.2);

- 7.6.2 if the Accepting Shareholders have indicated that they wish to accept a contemporaneous offer from the Buyer in respect of any Loan Notes held and/or beneficially owned by them, be deemed to have accepted that offer in respect of any Loan Notes held and/or beneficially owned by them or any of their Associates (on the same terms for each series of Loan Notes as those the subject of the offer to the Accepting Shareholders for that series of Loan Notes or, if the Accepting Shareholders do not hold Loan Notes of the same series, for the series held by them), on the same terms, including as to price per £1 nominal of Loan Notes; and
- 7.6.3 become obliged to Transfer or procure the Transfer of such Shares, and if applicable Loan Notes, to the Buyer free from all Encumbrances and to deliver up to the Buyer an executed instrument of Transfer of such Shares and, if applicable, Loan Notes and the certificate(s) in respect of the same on the date specified by the Accepting Shareholders.
- 7.7 Failure to Transfer. If any of the Other Shareholders shall not, within 14 days of becoming required to do so, deliver to the Buyer duly executed instruments of Transfer in respect of the Shares and, if applicable, Loan Notes held by such Member, the Directors shall be unconditionally constituted the agent of the relevant Other Shareholder(s) in relation to the acceptance of the Offer in accordance with the provisions of article 7.6. If any of the Directors executes and delivers to the Buyer (or its agent) on behalf of an Other Shareholder any necessary instrument(s) of Transfer, the Company may receive the purchase money in trust for such Other Shareholder without any obligation to pay interest and (notwithstanding (if such is the case) that he has failed to deliver up the share certificate(s) in respect of such Shares) shall (subject to so receiving the purchase money) cause the Buyer (or its nominees) to be registered as the holder(s) of such Shares, and if applicable Loan Notes. The Transfer(s) and the receipt by the Company of the purchase money shall constitute a good title to the Shares, and if applicable Loan Notes, and the receipt shall be a good discharge to the Buyer, who shall not be bound to see to the application of the purchase money and whose title to the Shares, and if applicable Loan Notes, shall not be affected by any irregularity in or invalidity of the proceedings relating to their disposal under this article.
- 7.8 Other consideration. In calculating the price at which an Offer is required to be made for the purposes of this article there shall be brought into account any other consideration (in cash or otherwise) received or receivable by any Member or former Member (or any Associate of such Member or former Member) which, having regard to the substance of the relevant transaction as a whole, can reasonably be regarded as part of the consideration paid (or provided) or payable (or to be provided) for the Shares, or if applicable Loan Notes, in question.
- 7.9 Inquiry by Directors. For the purpose of ensuring:
- 7.9.1 that no Buyer has acquired or may acquire a Controlling Interest otherwise than as permitted by this article (and to that end for the purpose of determining whether one person is an Associate of another); or
- 7.9.2 that a price offered or proposed to be offered for any Shares is in accordance with article 7.3,

the Directors or an Investor Majority may from time to time require any Member to furnish to the Company or to one or more of the holders of A Ordinary Shares for the time being such information and evidence as the Directors or an Investor Majority may reasonably think fit regarding any matter which they may deem relevant for such purposes.

## **8. Compliance by Subsidiaries**

The Company shall procure that each other Group Company shall comply with those provisions of these Articles which are expressed to apply to a Group Company and that no Group Company shall do or permit to be done any act, matter or thing which if it were done or permitted to be done by the Company would constitute a breach by the Company of any provision of these Articles or would require any consent, approval or sanction under these Articles, unless in such latter case such consent, approval or sanction has first been obtained.

## **PART B**

## ***Directors' Powers and Responsibilities***

### **9. Directors' general authority**

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

### **10. Members' reserve power**

10.1 The Members may, by special resolution, direct the Directors to take, or refrain from taking, specified action.

10.2 No such special resolution invalidates anything which the Directors have done before the passing of the resolution.

### **11. Directors may delegate**

11.1 Subject to these Articles, the Directors may delegate any of the powers which are conferred on them under these Articles:

11.1.1 to such person or committee;

11.1.2 by such means (including by power of attorney);

11.1.3 to such an extent;

11.1.4 in relation to such matters or territories; and

11.1.5 on such terms and conditions,

as they think fit. The power to delegate shall be effective in relation to the powers, authorities and discretions of the Directors generally and shall not be limited by the fact that in certain of these Articles, but not in others, express reference is made to particular powers, authorities or discretions being exercised by the Directors or by a committee authorised by the Directors.

11.2 If the Directors so specify, any such delegation may authorise further delegation of the Directors' powers by any person to whom they are delegated.

11.3 The Directors may revoke any delegation in whole or part, or alter its terms and conditions.

### **12. Committees**

12.1 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 these Articles which govern the taking of decisions by Directors.

12.2 A member of a committee need not be a Director.

12.3 The Directors may make rules of procedure for all or any committees, which prevail over rules derived from these Articles if they are not consistent with them.

## ***Decision-Making by Directors***

### **13. Directors to take decisions collectively**

13.1 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 14.

13.2 If:

13.2.1 the Company only has one Director, and

13.2.2 no provision of these 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 these Articles relating to Directors' decision-making.

#### **14. Unanimous decisions**

- 14.1 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.
- 14.2 Such a decision may take the form of a resolution in writing signed by each eligible Director (whether or not each signs the same document) or to which each eligible Director has otherwise indicated agreement in writing.
- 14.3 References in these Articles 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 (but excluding any Director whose vote is not to be counted in respect of that particular matter).
- 14.4 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.

#### **15. Calling a Directors' meeting**

- 15.1 Any Director may call a Directors' meeting by giving notice of the meeting to the Directors (other than any Director who is at such time a Leaver) or by authorising the company secretary (if any) to give such notice.
- 15.2 Notice of any Directors' meeting must indicate its proposed date and time, where it is to take place and, 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.
- 15.3 Notice of a Directors' meeting need not be in writing and must be given to each Director provided that, if a Director is (whether habitually or temporarily) absent from the United Kingdom, the Company has an address for the Director for sending or receiving documents or information by electronic means to or from the Director outside the United Kingdom.
- 15.4 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 seven 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.

#### **16. Participation in Directors' meetings**

- 16.1 Subject to these Articles, Directors participate in a Directors' meeting, or part of a Directors' meeting, when the meeting has been called and takes place in accordance with these Articles and they can each communicate to the others any information or opinions they have on any particular item of the business of the meeting.
- 16.2 In determining whether Directors are participating in a Directors' meeting, it is irrelevant where any Director is or how they communicate with each other.
- 16.3 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.
- 16.4 Where a Director is a Leaver at the time of any Directors' meeting, such Director shall not be entitled to attend such meeting in any capacity or vote at such meeting unless otherwise with Investor Approval.

#### **17. Quorum for Directors' meetings**

- 17.1 At a Directors' meeting, unless a quorum is participating, no proposal is to be voted on, except a proposal to call another meeting.

17.2 Subject to the provisions of Part A of these Articles, the quorum for Directors' meetings may be fixed from time to time by a decision of the Directors and unless otherwise fixed it is two provided that:

17.2.1 if and so long as there is only one Director the quorum shall be one; and

17.2.2 for the purposes of any meeting held pursuant to article 20 to authorise a Director's conflict, if there is only one Director besides the Director concerned and any other Directors with a similar interest, the quorum shall be one.

17.3 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 to appoint further Directors, or to call a general meeting so as to enable the Members to appoint further Directors.

17.4 Any Director who is a Leaver at the time of a Directors' meeting shall not count in the quorum of such meeting.

## **18. Chairing of Directors' meetings**

18.1 The Directors may appoint a Director to chair their meetings.

18.2 The person so appointed for the time being is known as the chairman.

18.3 The Directors may with Investor Approval terminate the chairman's appointment at any time.

18.4 If no Director has been appointed chairman, or the chairman is unwilling to chair the meeting or is not participating in a Directors' meeting within ten minutes of the time at which it was to start, the participating Directors must appoint one of themselves to chair it.

## **19. Casting vote**

19.1 If the numbers of votes for and against a proposal are equal, the chairman or such other Director chairing the meeting shall not have a casting vote.

## **20. Directors' interests and conflicts**

20.1 Subject to the provisions of the Companies Act and provided that he has disclosed to the Directors the nature and extent of any material interest of his, a Director may, notwithstanding his office or that, without the authorisation conferred by this article, he would or might be in breach of his duty under section 175 of the Companies Act to avoid conflicts of interest:

20.1.1 be interested in Shares or other securities issued by the Company; be a director or other officer of, or employed by, or otherwise be interested in (whether by virtue of a contract or arrangement or otherwise) or owe any duty to a Group Company or any undertaking in the Group or any undertaking in which the Company or any undertaking in the Group is otherwise interested; or

20.1.2 if he is an Investor Director, be a director or other officer of, or employed by, or otherwise interested in (whether by virtue of a contract or arrangement or otherwise) or owe any duty to an Investor or any undertaking in the same group as an Investor, or any undertaking in which an Investor or an undertaking in the same group as an Investor is otherwise interested.

20.2 No Director shall:

20.2.1 by reason of his office, be accountable to the Company for any benefit which he derives from any office or employment, or by virtue of any interest or duty, that is authorised under article 20.1 (and no such benefit shall constitute a breach of the duty under the Companies Act not to accept benefits from third parties, and no transaction or arrangement shall be liable to be avoided on the ground of any such benefit);

- 20.2.2 be in breach of his duties as a Director by reason only of his excluding himself from the receipt of information, or from participation in decision-making and discussion (whether at meetings of the Directors or otherwise), that will or may relate to any office, employment or interest that is authorised under article 20.1;
  - 20.2.3 be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information obtained by him in connection with any office or employment or by virtue of any interest or duty that is authorised under article 20.1.1 or article 20.1.2 if his doing so would result in a breach of a duty or an obligation of confidence owed by him in that connection;
  - 20.2.4 if he is an Investor Director, be required to disclose to the Company, or use in relation to the Company's affairs, any confidential information (or, if he is engaged in advising the relevant Investor as to investment decisions, information of a sensitive nature) obtained by him in connection with any office or employment or by virtue of any interest or duty that is authorised under article 20.1.3 or through his dealings with the relevant Investor, if his doing so would result in a breach of a duty or an obligation of confidence owed by him or by the Investor in that connection or in relation to those dealings; or
  - 20.2.5 if he is an Investor Director, be in breach of his duties as a Director by reason only of his passing information belonging to the Company or relating to its business or affairs to the relevant Investor.
- 20.3 The Directors may, if the quorum and voting requirements set out below are satisfied, authorise any matter that would otherwise involve a Director breaching his duty under section 175 of the Companies Act to avoid conflicts of interest, and any Director (including the Director concerned) may propose that the Director concerned be authorised in relation to any matter the subject of such a conflict provided that:
- 20.3.1 such proposal and any authority given by the Directors shall be effected in the same way that any other matter may be proposed to and resolved upon by the Directors under the provisions of these Articles, except that the Director concerned and any other Director with a similar interest:
    - (a) shall not be counted for quorum purposes as participating in the decision-making process while the conflict is under consideration;
    - (b) may, if the other Directors so decide, be excluded from participating in the decision-making process while the conflict is under consideration; and
    - (c) shall not vote on any resolution authorising the conflict except that, if he does vote, the resolution will still be valid if it would have been agreed to if his vote had not been counted; and
  - 20.3.2 where the Directors give authority in relation to such a conflict:
    - (a) they may (whether at the time of giving the authority or at any time or times subsequently) impose such terms upon the Director concerned as they may determine, including, without limitation, the exclusion of that Director from the receipt of information, or participation in decision-making or discussion (whether at meetings of the Directors or otherwise) related to the matter giving rise to the conflict;
    - (b) the Director concerned will be obliged to conduct himself in accordance with any terms imposed from time to time by the Directors in relation to the conflict but will not be in breach of his duties as a Director by reason of his doing so;
    - (c) the authority may provide that, where the Director concerned obtains (otherwise than by virtue of his position as a Director) information that is confidential to a third party, the Director will not be obliged to disclose that information to the Company, or to use the information in relation to the Company's affairs, where to do so would amount to a breach of that confidence;

- (d) the authority may also provide that the Director concerned shall not be accountable to the Company for any benefit that he receives as a result of the matter giving rise to the conflict;
- (e) the receipt by the Director concerned of any remuneration or benefit as a result of the matter giving rise to the conflict shall not constitute a breach of the duty under section 176 of the Companies Act not to accept benefits from third parties;
- (f) the terms of the authority shall be recorded in writing (but the authority shall be effective whether or not the terms are so recorded);
- (g) the Directors may withdraw such authority at any time; and

20.3.3 in the circumstances of an authorisation of a Director other than an Investor Director, the Investor Director(s) shall have voted in favour of such authorisation on the same terms.

- 20.4 Subject to article 20.5, if a question arises at a meeting of Directors or 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.
- 20.5 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.
- 20.6 Except to the extent that article 6.9, article 20.3 or the terms of any authority given under article 20.3 may otherwise provide, and without prejudice to such disclosure as is required under the Companies Act, a Director (including an alternate Director) may be a party to, or otherwise interested in, any transaction or arrangement with the Company and shall be entitled for quorum and voting purposes to participate in the decision-making process on any resolution concerning a matter in which he has, directly or indirectly, an interest or duty that conflicts or may conflict with the interests of the Company.

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

The Directors must ensure that the Company keeps a record, in hard copy form, for at least 10 years from the date of the decision recorded, of every unanimous or majority decision taken by the Directors.

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

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

### ***Appointment of Directors***

## **23. Methods of appointing and removing Directors**

- 23.1 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:
- 23.1.1 by ordinary resolution; or
  - 23.1.2 by a decision of the Directors (whether by way of a resolution in writing or at a meeting of Directors).
- 23.2 If the Company has no Directors and, by virtue of death or Bankruptcy, no Member is capable of acting, the Transmittree of the last Member to have died or to have had a Bankruptcy order made against him has the right, by notice in writing, to appoint a person to be a Director.



- 23.3 For the purposes of article 23.2, where two or more Members die in circumstances rendering it uncertain who was the last to die, a younger Member is deemed to have survived an older Member.

## **24. Termination of Director's appointment**

- 24.1 A person ceases to be a Director as soon as:
- 24.1.1 that person ceases to be a Director by virtue of any provision of the Companies Act or is prohibited from being a director by law;
  - 24.1.2 a Bankruptcy order is made against that person;
  - 24.1.3 a composition is made with that person's creditors generally in satisfaction of that person's debts;
  - 24.1.4 he becomes, in the opinion of all his co-Directors, incapable by reason of mental disorder or physical incapacity of discharging his duties as a Director;
  - 24.1.5 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;
  - 24.1.6 he is convicted of a criminal offence (other than a minor motoring offence) and the Directors resolve that his office be vacated;
  - 24.1.7 in the case of a person who is also an employee of the Company or another Group Company, he ceases to be such an employee and an Investor Director requests that his office be vacated;
  - 24.1.8 all the other Directors unanimously agree that his office be vacated; or
  - 24.1.9 he is otherwise duly removed from office.

## **25. Directors' remuneration**

- 25.1 Directors may undertake any services for the Company that the Directors decide.
- 25.2 Directors are entitled to such remuneration as the Directors determine for their services to the Company as Directors, and for any other service which they undertake for the Company.
- 25.3 Subject to these Articles, a Director's remuneration may take any form, and 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.
- 25.4 Unless the Directors decide otherwise, Directors' remuneration accrues from day to day.

## **26. Directors' expenses**

- 26.1 The Company may pay any reasonable expenses which the Directors (and the alternate Directors and the company secretary) properly incur in connection with their attendance at meetings of Directors or committees of Directors, general meetings, or 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.

### ***Alternate Directors***

## **27. Appointment and removal of alternate Directors**

- 27.1 Any Director may appoint as an alternate any other Director or, with Investor Approval, any other person to exercise that Director's powers and carry out that Director's responsibilities in relation to the taking of decisions by the Directors, in the absence of the alternate's appointor.
- 27.2 Any appointment or removal of an alternate must identify the proposed alternate and be effected by notice in writing (including, without limitation, in electronic form) to the Company, or in any other manner approved by the Directors.

## **28. Rights and responsibilities of alternate Directors**

- 28.1 An alternate Director may act as alternate Director to more than one Director and has the same rights in relation to any decision of the Directors as the alternate's appointor.
- 28.2 Except as these Articles specify otherwise, alternate Directors:
- 28.2.1 are deemed for all purposes to be Directors;
  - 28.2.2 are liable for their own acts and omissions;
  - 28.2.3 are subject to the same restrictions as their appointors; and
  - 28.2.4 are not deemed to be agents of or for their appointors,
- and, in particular (without limitation), 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.
- 28.3 A person who is an alternate Director is entitled, in the absence of his appointor, to form part of the quorum and vote as an alternate (in addition to his own vote if he is a Director and to any other vote he may have as alternate for another appointor):
- 28.3.1 in decision-making of the Directors (but only if his appointor is an eligible Director in relation to that decision, not if he is himself a Director but is not so eligible); and
  - 28.3.2 he shall not count as more than one Director for the purposes of determining whether there is a quorum, whether in relation to a meeting of the Directors or a unanimous decision.
- 28.4 Where an alternate Director participates in a unanimous decision it is not necessary for his appointor also to participate in it.
- 28.5 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's appointor's remuneration as the appointor may direct by notice in writing made to the Company.

## **29. Termination of alternate directorship**

An alternate Director's appointment as an alternate terminates:

- 29.1.1 when the alternate's appointor revokes the appointment by notice to the Company in writing (including, without limitation, in electronic form) specifying when it is to terminate;
- 29.1.2 on expiry of any period specified in the notice of appointment given in accordance with article 27.2;
- 29.1.3 on the occurrence, in relation to the alternate, of any event which, if it occurred in relation to the alternate's appointor, would result in the termination of the appointor's appointment as a Director;
- 29.1.4 on the death of the alternate's appointor;

29.1.5 when the alternate's appointor's appointment as a Director terminates; or

29.1.6 when the alternate is removed in accordance with these Articles.

## **Shares**

### **30. Powers to issue different classes of Share and purchase of own Shares**

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

30.2 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.

30.3 The Company may purchase its own Shares (including any redeemable shares) in any manner permitted by the Companies Act, including in accordance with section 692(1ZA).

### **31. Payment of commissions on subscription for Shares**

31.1 The Company may pay any person a commission in consideration for that person:

31.1.1 subscribing, or agreeing to subscribe, for Shares; or

31.1.2 procuring, or agreeing to procure, a subscription for Shares.

31.2 Any such commission may be paid:

31.2.1 in cash, or in fully paid or partly paid Shares or other securities, or partly in one way and partly in the other; and

31.2.2 in respect of a conditional or an absolute subscription.

### **32. Company not bound by less than absolute interests**

32.1 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 these 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.

### **33. Fractional entitlements**

33.1 Where there has been a consolidation or division of Shares and, as a result, Members are entitled to fractions of Shares, the Directors may (subject to the remaining provisions of the Articles):

33.1.1 sell the Shares representing the fractions to any person including the Company for the best price reasonably obtainable;

33.1.2 authorise any person to execute an instrument of Transfer of the Shares to the purchaser or a person nominated by the purchaser; and

33.1.3 distribute the net proceeds of sale in due proportion among the holders of the Shares.

33.2 Where any holder's entitlement to a portion of the proceeds of sale under article 33.1 amounts to less than a minimum figure determined by the Directors, that Member's portion may be retained for the benefit of the Company.

- 33.3 The person to whom the Shares are Transferred pursuant to article 33.1 is not obliged to ensure that any purchase money is received by the person entitled to the relevant fractions. The Transferee's title to the Shares shall not be affected by any irregularity in or invalidity of the proceedings relating to their disposal under this article 33.

### ***Lien and Forfeiture***

#### **34. Company's lien over Shares**

- 34.1 The Company has a lien (the "**Company's lien**") over every Share, whether or not fully paid, which is registered in the name of any person indebted or under any liability to the Company, whether he is the sole registered holder of the Share or one of several joint holders, for all monies payable by him (either alone or jointly with any other person) to the Company, whether payable immediately or at some time in the future.
- 34.2 The Company's lien over a Share:
- 34.2.1 takes priority over any third party's interest in that Share; and
- 34.2.2 extends to any dividend or other money payable by the Company in respect of that Share and (if the lien is enforced and the Share is sold by the Company) the proceeds of sale of that Share.
- 34.3 The Directors may (with Investor Approval) at any time decide that a Share which is or would otherwise be subject to the Company's lien shall not be subject to it, either wholly or in part.
- 34.4 If an Investor Majority so decides, the Directors may give a lien enforcement notice in respect of a Share and, if the person to whom the lien enforcement notice was given has failed to comply with it, the Company may sell such Share and the Transfer shall be deemed to be a Permitted Transfer for the purposes of article 4.
- 34.5 A lien enforcement notice:
- 34.5.1 may only be given in respect of a Share which is subject to the Company's lien, in respect of which a sum is payable and the due date for payment of that sum has passed;
- 34.5.2 must specify the Share concerned;
- 34.5.3 must require payment of the sum within 14 clear days of the notice;
- 34.5.4 must be addressed either to the holder of the Share or to a Transmittree of that holder; and
- 34.5.5 must state the Company's intention to sell the Share if the notice is not complied with.
- 34.6 Where Shares are sold under this article, the Directors may authorise any person to execute an instrument of Transfer of the Shares to the purchaser or to a person nominated by the purchaser and the Transferee is not bound to see to the application of the consideration, and the Transferee's title shall not be affected by any irregularity in or invalidity of the proceedings relating to their disposal under this article 34.
- 34.7 The net proceeds of any such sale (after payment of the costs of sale and any other costs of enforcing the lien) must be applied:
- 34.7.1 first, in payment of so much of the sum for which the lien exists as was payable at the date of the lien enforcement notice; and
- 34.7.2 second, to the person entitled to the Shares at the date of the sale, but only after the certificate for the Shares sold has been surrendered to the Company for cancellation, or an indemnity in a form reasonably satisfactory to the Directors has been given for any lost certificates, and subject to a lien equivalent to the Company's lien over the Shares before

the sale for any money payable (whether immediately or at some time in the future) after the date of the lien enforcement notice.

- 34.8 A statutory declaration by a Director or the company secretary (if any) that the declarant is a Director or the company secretary and that a Share has been sold to satisfy the Company's lien on a specified date:

34.8.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and

34.8.2 subject to compliance with any other formalities of Transfer required by these Articles or by law, constitutes a good title to the Share.

### **35. Call notices**

- 35.1 Subject to these Articles and the terms on which Shares are allotted, the Directors may send a notice (a "call notice") to a Member requiring the Member to pay the Company a specified sum of money (a "call") which is payable in respect of his Shares at the date when the Directors decide to send the call notice.

- 35.2 A call notice:

35.2.1 may not require a Member to pay a call which exceeds the total sum unpaid on the Shares (whether as to nominal value or any amount payable to the Company by way of premium);

35.2.2 must state when and how any call to which it relates is to be paid; and

35.2.3 may permit or require the call to be made in instalments.

- 35.3 A Member must comply with the requirements of a call notice, but no Member is obliged to pay any call before 14 clear days have passed since the call notice was sent.

- 35.4 Before the Company has received any call due under a call notice, the Directors may revoke it wholly or in part or specify a later time for payment than is specified in the call notice, in each case by a further call notice in writing to the Member in respect of whose Shares the call is made.

- 35.5 The Directors may, if they think fit, receive from any Member willing to advance them all or any part of the monies unpaid and uncalled upon the Shares held by him and may pay interest upon the monies so advanced (to the extent such monies exceed the amount of the calls due and payable upon the Shares in respect of which they have been advanced) at such rate (not exceeding 15 per cent. per annum unless the Company by ordinary resolution otherwise directs) as the Directors may determine. A payment in advance of calls shall extinguish, to the extent of it, the liability upon the Shares in respect of which it is advanced.

### **36. Liability to pay calls**

- 36.1 Liability to pay a call is not extinguished or transferred by Transferring the Shares in respect of which it is required to be paid.

- 36.2 Joint holders of a Share are jointly and severally liable to pay all calls in respect of that Share.

- 36.3 Subject to the terms on which Shares are allotted, the Directors may, when issuing Shares, provide that call notices sent to the holders of those Shares may require them to pay calls which are not the same or to pay calls at different times.

### **37. When call notice need not be issued**

- 37.1 A call notice need not be issued in respect of sums which are specified, in the terms on which a Share is issued, as being payable to the Company in respect of that Share on allotment, on the occurrence of a particular event, or on a date fixed by or in accordance with the terms of issue.

- 37.2 But if the due date for payment of such a sum has passed and it has not been paid, the holder of the Share concerned is treated in all respects as having failed to comply with a call notice in respect of that sum, and is liable to the same consequences as regards the payment of interest and forfeiture.

### **38. Failure to comply with call notice: automatic consequences**

- 38.1 If a person is liable to pay a call and fails to do so by the call payment date the Directors may issue a notice of intended forfeiture to that person, and until the call is paid, that person must pay the Company interest on the call from the call payment date at the relevant rate.

- 38.2 For the purposes of this article:

38.2.1 the “**call payment date**” is the time when the call notice states that a call is payable, unless the Directors give a notice specifying a later date, in which case it is that later date; and

38.2.2 the “**relevant rate**” is:

- (a) the rate fixed by the terms on which the Share in respect of which the call is due was allotted;
- (b) such other rate as was fixed in the call notice which required payment of the call, or has otherwise been determined by the Directors; or
- (c) if no rate is fixed in either of these ways, 5 per cent. per annum.

- 38.3 The relevant rate must not exceed by more than 5 percentage points the base lending rate most recently set by the Monetary Policy Committee of the Bank of England in connection with its responsibilities under Part 2 of the Bank of England Act 1998.

- 38.4 The Directors may waive any obligation to pay interest on a call wholly or in part.

### **39. Notice of intended forfeiture**

A notice of intended forfeiture:

39.1.1 may be sent in respect of any Share in respect of which a call has not been paid as required by a call notice;

39.1.2 must be sent to the holder of that Share (or all the joint holders of that Share) or to a Transmittree of that holder;

39.1.3 must require payment of the call and any accrued interest and all expenses that may have been incurred by the Company by reason of such non-payment by a date which is not less than 14 clear days after the date of the notice of intended forfeiture;

39.1.4 must state how the payment is to be made; and

39.1.5 must state that if the notice of intended forfeiture is not complied with, the Shares in respect of which the call is payable will be liable to be forfeited.

### **40. Directors’ power to forfeit Shares**

If a notice of intended forfeiture is not complied with before the date by which payment of the call is required in the notice of intended forfeiture, the Directors may (with Investor Approval) decide that any Share in respect of which it was given is forfeited, and the forfeiture is to include all dividends or other monies payable in respect of the forfeited Shares and not paid before the forfeiture.

#### **41. Effect of forfeiture**

- 41.1 Subject to these Articles, the forfeiture of a Share extinguishes all interests in that Share, and all claims and demands against the Company in respect of it, and all other rights and liabilities incidental to the Share as between the person whose Share it was prior to the forfeiture and the Company.
- 41.2 Any Share which is forfeited in accordance with these Articles:
- 41.2.1 is deemed to have been forfeited when the Directors decide that it is forfeited;
  - 41.2.2 is deemed to be the property of the Company; and
  - 41.2.3 may be sold, re-allotted or otherwise disposed of and such sale, re-allotment or disposal shall be deemed to be a Permitted Transfer for the purposes of article 4.
- 41.3 If a person's Shares have been forfeited:
- 41.3.1 the Company must send that person notice that forfeiture has occurred and record it in the register of Members;
  - 41.3.2 that person ceases to be a Member in respect of those Shares;
  - 41.3.3 that person must surrender the certificate for the Shares forfeited to the Company for cancellation;
  - 41.3.4 that person remains liable to the Company for all sums payable by that person under the Articles at the date of forfeiture in respect of those Shares, including any interest (whether accrued before or after the date of forfeiture); and
  - 41.3.5 the Directors may waive payment of such sums wholly or in part or enforce payment without any allowance for the value of the Shares at the time of forfeiture or for any consideration received on their disposal.
- 41.4 At any time before the Company disposes of a forfeited Share, the Directors may decide to cancel the forfeiture on payment of all calls, interest and expenses due in respect of it and on such other terms as they think fit.

#### **42. Procedure following forfeiture**

- 42.1 If a forfeited Share is to be disposed of by being Transferred, the Company may receive the consideration for the Transfer and the Directors may authorise any person to execute the instrument of Transfer.
- 42.2 A statutory declaration by a Director or the company secretary that the declarant is a Director or the company secretary and that a Share has been forfeited on a specified date:
- 42.2.1 is conclusive evidence of the facts stated in it as against all persons claiming to be entitled to the Share; and
  - 42.2.2 subject to compliance with any other formalities of Transfer required by these Articles or by law, constitutes a good title to the Share.
- 42.3 A person to whom a forfeited Share is Transferred is not bound to see to the application of the consideration (if any) nor shall that person's title to the Share be affected by any irregularity in or invalidity of the proceedings relating to the forfeiture or Transfer of the Share.
- 42.4 If the Company sells a forfeited Share, the person who held it prior to its forfeiture is entitled to receive from the Company the proceeds of such sale, net of any commission, and excluding any amount which was, or would have become, payable and had not, when that Share was forfeited, been paid by that person in respect of that Share, but no interest is payable to such a person in

respect of such proceeds and the Company is not required to account for any money earned on them.

#### **43. Surrender of Shares**

43.1 With Investor Approval, a Member may surrender any Share:

43.1.1 in respect of which the Directors may issue a notice of intended forfeiture;

43.1.2 which the Directors may forfeit; or

43.1.3 which has been forfeited.

43.2 The Directors may accept the surrender of any such Share.

43.3 The effect of surrender on a Share is the same as the effect of forfeiture on that Share.

43.4 A Share which has been surrendered may be dealt with in the same way as a Share which has been forfeited.

43.5 The surrender of the Share and any such dealing with the Share shall be deemed to be a Permitted Transfer for the purposes of article 4.

#### **44. Share certificates**

44.1 The Company must issue each Member, free of charge, with one or more certificates in respect of the Shares which that Member holds.

44.2 Every certificate must specify:

44.2.1 in respect of how many Shares, of what class, it is issued;

44.2.2 the nominal value of those Shares;

44.2.3 the amount (if any) paid up on them; and

44.2.4 any distinguishing numbers assigned to them.

44.3 No certificate may be issued in respect of Shares of more than one class.

44.4 If more than one person holds a Share, only one certificate may be issued in respect of it.

44.5 Certificates must:

44.5.1 have affixed to them the Company's common seal; or

44.5.2 be otherwise executed in accordance with the Companies Act.

44.6 The Directors may determine, either generally or in relation to any particular case, that any signature on any certificate need not be autographic but may be applied by some mechanical or other means, or printed on the certificate, or that certificates need not be signed.

#### **45. Replacement share certificates**

45.1 If a certificate issued in respect of a Member's Shares is damaged or defaced, or said to be lost, stolen or destroyed, that Member is entitled to be issued with a replacement certificate in respect of the same Shares.

45.2 A Member exercising the right to be issued with such a replacement certificate:

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



- 45.2.2 must return the certificate which is to be replaced to the Company if it is damaged or defaced; and
- 45.2.3 must comply with such conditions as to evidence, indemnity and the payment of a reasonable fee as the Directors decide.

#### **46. Share Transfers**

- 46.1 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 and, if the Shares are not fully paid, the Transferee.
- 46.2 No fee may be charged for registering any instrument of Transfer or other document relating to or affecting the title to any Share.
- 46.3 The Company may retain any instrument of Transfer which is registered.
- 46.4 The Transferor remains the holder of a Share until the Transferee's name is entered in the register of Members as holder of it.
- 46.5 The Directors may refuse to register the Transfer of any Share:
  - 46.5.1 which is not fully paid, to a person of whom they do not approve;
  - 46.5.2 on which the Company has a lien;
  - 46.5.3 unless:
    - (a) it is lodged at its registered office or at such other place in England as the Directors may appoint and is accompanied by the certificate for the Shares to which it relates and such other evidence as the Directors may reasonably require to show the right of the Transferor to make the Transfer;
    - (b) it is in respect of only one class of Shares;
    - (c) it is in favour of not more than four Transferees; and
    - (d) to a person who is (or whom the Directors reasonably believe to be) under 18 years of age or who does not have (or whom the Directors reasonably believe does not have) the legal capacity freely to dispose of any Share without let, hindrance or court approval.
- 46.6 If the Directors refuse to register the Transfer of a Share they shall within two months after the date on which the Transfer was lodged send the Transferee the notice of refusal together with their reasons for refusal and, unless they suspect that the proposed Transfer may be fraudulent, the instrument of Transfer.

#### **47. Transmission of Shares**

- 47.1 If title to a Share passes to a Transmitttee, the Company may only recognise the Transmitttee as having any title to that Share.
- 47.2 Nothing in these Articles releases the estate of a deceased Member from any liability in respect of a Share solely or jointly held by that Member.
- 47.3 A Transmitttee who produces such evidence of entitlement to Shares as the Directors may properly require:
  - 47.3.1 may, subject to these Articles (including without limitation article 6.2), choose either to become the holder of those Shares or to have them Transferred to another person; and

47.3.2 subject to these Articles and pending any Transfer of the Shares to another person, has the same rights as the holder had.

47.4 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.

#### **48. Exercise of Transmittees' rights**

48.1 Transmittees who wish to become the holders of Shares to which they have become entitled must notify the Company in writing of that wish.

48.2 If the Transmitttee wishes to have a Share Transferred to another person, the Transmitttee must execute an instrument of Transfer in respect of it.

48.3 Any notice or instrument of Transfer given or executed under this article is to be treated as if it were given or executed by the person from whom the Transmitttee has derived rights in respect of the Share, and as if the event which gave rise to the transmission had not occurred and so that the notice or instrument of Transfer is treated in the same way under these Articles as a Transfer executed by that person.

#### ***Dividends and Other Distributions***

#### **49. Procedure for declaring dividends**

49.1 Subject to these Articles (including without limitation, article 3.1), the Company may by ordinary resolution declare dividends, and the Directors may decide to pay interim dividends.

49.2 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.

49.3 No dividend may be declared or paid unless it is in accordance with the Members' respective rights.

49.4 Unless the Members' resolution to declare, or the Directors' decision to pay, a dividend, or to the extent that the terms on which Shares are issued, specify otherwise, all dividends must be paid by reference to each Member's holding of Shares on the date of the resolution or decision to declare or pay it.

49.5 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 arrears.

49.6 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.

49.7 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.

#### **50. Calculation of dividends**

50.1 Except as otherwise provided by these Articles or the rights attached to Shares, all dividends must be declared and paid according to the amounts paid up on the Shares on which the dividend is paid and apportioned and paid proportionately to the amounts paid up on the Shares during any portion or portions of the period in respect of which the dividend is paid.

50.2 If any Share is issued on terms providing that it ranks for dividend as from a particular date that Share ranks for dividend accordingly.

50.3 For the purposes of calculating dividends, no account is to be taken of any amount which has been paid up on a Share in advance of the due date for payment of that amount and any

dividends or other monies payable on or in respect of any Share may be declared in any currency or currencies, and paid in the same currency or currencies or in any other currency or currencies, as the Directors may determine, using where required such basis of conversion (including the rate and timing of conversion) as the Directors decide.

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

51.1 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:

51.1.1 transfer to a bank or building society account specified by the distribution recipient either in writing or as the Directors may otherwise decide;

51.1.2 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;

51.1.3 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

51.1.4 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.

51.2 In these Articles, "**the distribution recipient**" means, in respect of a Share in respect of which a dividend or other sum is payable:

51.2.1 the holder of the Share; or

51.2.2 if the Share has two or more joint holders, whichever of them is named first in the register of Members; or

51.2.3 if the holder is no longer entitled to the Share by reason of death or Bankruptcy, or otherwise by operation of law, the Transferee.

## **52. Deductions from distributions in respect of sums owed to the Company**

52.1 If:

52.1.1 a Share is subject to the Company's lien; and

52.1.2 the Directors are entitled to issue a lien enforcement notice in respect of it,

they may, instead of issuing a lien enforcement notice, deduct from any dividend or other sum payable in respect of the Share any sum of money which is payable to the Company in respect of that Share to the extent that they are entitled to require payment under a lien enforcement notice.

52.2 Money so deducted must be used to pay any of the sums payable in respect of that Share.

52.3 The Company must notify the distribution recipient in writing of:

52.3.1 the fact and amount of any such deduction;

52.3.2 any non-payment of a dividend or other sum payable in respect of a Share resulting from any such deduction; and

52.3.3 how the money deducted has been applied.

### **53. No interest on distributions**

The Company may not pay interest on any dividend or other sum payable in respect of a Share unless otherwise provided by the terms on which the Share was issued or the provisions of another agreement between the holder of that Share and the Company.

### **54. Unclaimed distributions**

- 54.1 All dividends or other sums which are payable in respect of Shares and 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.
- 54.2 The payment of any such dividend or other sum into a separate account does not make the Company a trustee in respect of it.
- 54.3 If 12 years have passed from the date on which a dividend or other sum became due for payment, and 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.

### **55. Non-cash distributions**

- 55.1 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).
- 55.2 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:
  - 55.2.1 fixing the value of any assets;
  - 55.2.2 paying cash to any distribution recipient on the basis of that value in order to adjust the rights of recipients; and
  - 55.2.3 vesting any assets in trustees.

### **56. Waiver of distributions**

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:

- 56.1.1 the Share has more than one holder, or
- 56.1.2 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.

### **57. Distribution in specie on winding up**

If the Company is wound up, the liquidator may, with the sanction of a special resolution of the Company and any other sanction required by law, divide among the Members in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the Members or different classes of Members. The liquidator may, with such sanction, vest the whole or any part of the assets in trustees upon such trusts for the benefit of Members as the liquidator with such sanction determines, but no Member shall be compelled to accept any assets upon which there is a liability.

### **Capitalisation of Profits**

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

58.1 Subject to these Articles, the Directors may, if they are so authorised by an ordinary resolution:

58.1.1 decide to capitalise any profits of the Company (whether or not they are available for distribution) which are not required for paying a preferential dividend, or any sum standing to the credit of any fund or reserve, including but not limited to the Company's share premium account, capital redemption reserve, merger reserve, redenomination reserve or revaluation reserve; and

58.1.2 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.

58.2 Capitalised sums must be applied on behalf of the persons entitled, and in the same proportions as a dividend would have been distributed to them, and the Company shall for the purposes of this article be deemed to be such a Member in relation to any Shares held as treasury Shares which, if not so held, would have ranked for any such distribution by way of dividend, but only insofar as the appropriated sum is to be applied in paying up in full Shares of the Company.

58.3 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.

58.4 A capitalised sum which was appropriated from profits available for distribution may be applied:

58.4.1 in or towards paying up any amounts unpaid on existing Shares held by the persons entitled; or

58.4.2 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.

58.5 Subject to these Articles, the Directors may:

58.5.1 apply capitalised sums in accordance with articles 58.3 and 58.4 partly in one way and partly in another;

58.5.2 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

58.5.3 authorise any person to enter into an agreement with the Company on behalf of all the persons entitled which is binding on them in respect of the allotment of Shares and debentures to them under this article.

## **Organisation of General Meetings**

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

59.1 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.

59.2 A person is able to exercise the right to vote at a general meeting when:

59.2.1 that person is able to vote, during the meeting, on resolutions put to the vote at the meeting; and

59.2.2 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.

- 59.3 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.
- 59.4 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.
- 59.5 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.

## **60. Quorum for general meetings**

- 60.1 No business other than the appointment of the chairman of the meeting is to be transacted at a general meeting if the persons attending it do not constitute a quorum.
- 60.2 Subject to article 3.8.1, any two persons entitled to vote upon the business to be transacted, each being a Member or a proxy for a Member or a duly authorised representative of a corporation that is a Member, shall be a quorum at a general meeting save that in the case of an adjourned general meeting pursuant to article 3.8.3, any one such person shall be a quorum.

## **61. Chairing general meetings**

- 61.1 If the Directors have appointed a chairman, the chairman shall chair general meetings if present and willing to do so.
- 61.2 If the Directors have not appointed a chairman, or if the chairman is unwilling to chair the meeting or is not present within ten minutes of the time at which a meeting was due to start, the Directors present, or (if no Directors are present) the meeting, must appoint a Director or Member to chair the meeting, and the appointment of the chairman of the meeting must be the first business of the meeting.
- 61.3 The person chairing a meeting in accordance with this article is referred to as "the chairman of the meeting".

## **62. Attendance and speaking by Directors and non-Members**

- 62.1 Directors may attend and speak at general meetings, whether or not they are Members.
- 62.2 The chairman of the meeting may permit other persons who are not Members, or otherwise entitled to exercise the rights of Members in relation to general meetings, to attend and speak at a general meeting.

## **63. Adjournment**

- 63.1 Subject to any provision to the contrary contained in Part A of these Articles, 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, if the meeting was convened by the Members, the meeting shall be dissolved and, in any other case, the chairman of the meeting must adjourn it. Subject to any provision to the contrary contained in Part A as aforesaid, if at the adjourned meeting the persons attending within half an hour of the time at which the meeting was due to start do not constitute a quorum, the Members present shall constitute a quorum.
- 63.2 The chairman of the meeting may adjourn a general meeting at which a quorum is present if:
- 63.2.1 the meeting consents to an adjournment; or
- 63.2.2 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.
- 63.3 The chairman of the meeting must adjourn a general meeting if directed to do so by the meeting.

- 63.4 Subject to any applicable provisions of Part A of these Articles with regard to the timing and location of any adjourned meeting and any requirement for Investor Approval, when adjourning a general meeting, the chairman of the meeting must:
- 63.4.1 either specify the time and place to which it is adjourned or state that it is to continue at a time and place to be fixed by the Directors; and
  - 63.4.2 have regard to any directions as to the time and place of any adjournment which have been given by the meeting.
- 63.5 If the continuation of an adjourned meeting is to take place more than 14 days after it was adjourned, the Company must give at least seven clear days' notice of it:
- 63.5.1 to the same persons to whom notice of the Company's general meetings is required to be given; and
  - 63.5.2 containing the same information which such notice is required to contain.
- 63.6 No business may be transacted at an adjourned general meeting which could not properly have been transacted at the meeting if the adjournment had not taken place.

### ***Voting at General Meetings***

#### **64. Voting: general**

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

#### **65. Errors and disputes**

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

#### **66. Poll votes**

- 66.1 A poll on a resolution may be demanded:
- 66.1.1 in advance of the general meeting where it is to be put to the vote; or
  - 66.1.2 at a general meeting, either before a show of hands on that resolution or immediately after the result of a show of hands on that resolution is declared.
- 66.2 A poll on a resolution may be demanded by the chairman of the meeting, the Directors or any qualifying person (as defined in section 318 of the Companies Act) present and entitled to vote on the resolution.
- 66.3 A demand for a poll may be withdrawn if:
- 66.3.1 the poll has not yet been taken; and
  - 66.3.2 the chairman of the meeting consents to the withdrawal.
- A demand so withdrawn shall not be taken to have invalidated the result of a show of hands declared before the demand was made.
- 66.4 Polls must be taken immediately and in such manner as the chairman of the meeting directs.

## **67. Content of proxy notices**

- 67.1 Proxies may only validly be appointed by a notice in writing (a “**proxy notice**”) which:
- 67.1.1 states the name and address of the Member appointing the proxy;
  - 67.1.2 identifies the person appointed to be that Member's proxy and the general meeting in relation to which that person is appointed;
  - 67.1.3 is signed by or on behalf of the Member appointing the proxy, or is authenticated in such manner as the Directors may determine; and
  - 67.1.4 is delivered to the Company in accordance with these Articles not less than 48 hours before the time appointed for holding the general meeting in relation to which the proxy is appointed and in accordance with any instructions contained in the notice of the general meeting to which they relate (but notwithstanding this an appointment of a proxy may be accepted by the Directors at any time prior to the meeting at which the person named in the appointment proposes to vote (or, where a poll is demanded at the meeting, but not taken forthwith, at any time prior to the taking of the poll)).
- 67.2 The Company may require proxy notices to be delivered in a particular form, and may specify different forms for different purposes.
- 67.3 Proxy notices may specify how the proxy appointed under them is to vote (or that the proxy is to abstain from voting) on one or more resolutions, but the Company shall not be obliged to ascertain that any proxy has complied with those or any other instructions given by the appointor and no decision on any resolution shall be vitiated by reason only that any proxy has not done so.
- 67.4 On a vote on a resolution on a show of hands at a meeting, every proxy present who has been duly appointed by one or more Members entitled to vote on the resolution has one vote, except that if the proxy has been duly appointed by more than one Member entitled to vote on the resolution and:
- 67.4.1 has been instructed by one or more of those Members to vote for the resolution and by one or more other of those Members to vote against it; or
  - 67.4.2 has been instructed to vote the same way (either for or against) on the resolution by all of those Members except those who have given the proxy discretion as to how to vote on the resolution,
- the proxy is entitled to one vote for and one vote against the resolution.
- 67.5 Unless a proxy notice indicates otherwise, it must be treated as:
- 67.5.1 allowing the person appointed under it as a proxy discretion as to how to vote on any ancillary or procedural resolutions put to the meeting; and
  - 67.5.2 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.

## **68. Delivery of proxy notices**

- 68.1 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.
- 68.2 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.
- 68.3 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.



- 68.4 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.

**69. Amendments to resolutions**

- 69.1 An ordinary resolution to be proposed at a general meeting may be amended by ordinary resolution if:

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

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

- 69.2 A special resolution to be proposed at a general meeting may be amended by ordinary resolution, if:

69.2.1 the chairman of the meeting proposes the amendment at the general meeting at which the resolution is to be proposed; and

69.2.2 the amendment does not go beyond what is necessary to correct a grammatical or other non-substantive error in the resolution.

- 69.3 If the chairman of the meeting, acting in good faith, wrongly decides that an amendment to a resolution is out of order, the chairman's error does not invalidate the vote on that resolution.

**70. No voting of Shares on which money owed to Company**

- 70.1 No voting rights attached to a Share may be exercised at any general meeting, at any adjournment of it, or on any poll called at or in relation to it, or in relation to any written resolution of the Company unless all amounts payable to the Company in respect of that Share have been paid.

***Application of Rules to Class Meetings***

**71. Class meetings**

- 71.1 The provisions of these Articles relating to general meetings apply, with any necessary modifications, to meetings of the holders of any class of Shares.

**72. Means of communication to be used**

- 72.1 Subject to these Articles, anything sent or supplied by or to the Company under these Articles may be sent or supplied in any way in which the Companies Act provides for documents or information which are authorised or required by any provision of the Companies Act to be sent or supplied by or to the Company.

- 72.2 Except insofar as the Companies Act requires otherwise and save in respect of any notices sent by an Investor Majority or an Investor Director pursuant to a provision of Part A of these Articles or pursuant to article 27, the Company shall not be obliged to accept any notice, document or other information sent or supplied to the Company in electronic form unless it satisfies such stipulations, conditions or restrictions (including, without limitation, for the purpose of authentication) as the Directors think fit, and the Company shall be entitled to require any such notice, document or information to be sent or supplied in hard copy form instead.

- 72.3 In the case of joint holders of a Share, except insofar as these Articles otherwise provide, all notices, documents or other information shall be given to the joint holder whose name stands first in the register of Members in respect of the joint holding and shall be deemed to have been given to all the joint holders. For all purposes, including the execution of any appointment of proxy,

resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any one of such joint holders shall be deemed to be and shall be accepted as execution by all the joint holders.

- 72.4 In the case of a Member that is a corporation, for all purposes, including the execution of any appointment of proxy, resolution in writing, notice or other document (including anything sent or supplied in electronic form) executed or approved pursuant to any provision of these Articles, execution by any director or the secretary of that corporation or any other person who appears to any officer of the Company (acting reasonably and in good faith) to have been duly authorised to execute shall be deemed to be and shall be accepted as execution by that corporation.
- 72.5 A Member whose registered address is not within the United Kingdom and who notifies the Company of an address within the United Kingdom at which notices, documents or other information may be served on or delivered to him shall be entitled to have such things served on or delivered to him at that address (in the manner referred to above), but otherwise no such Member shall be entitled to receive any notice, document or other information from the Company. If the address is that Member's address for sending or receiving documents or information by electronic means the Directors may at any time without prior notice (and whether or not the Company has previously sent or supplied any documents or information in electronic form to that address) refuse to send or supply any documents or information to that address.
- 72.6 Subject to these 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.
- 72.7 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.
- 72.8 Every person who becomes entitled to a Share shall be bound by any notice in respect of that Share which, before his name is entered in the register of Members, has been given to the person from whom he derives his title.

### **73. When information deemed to have been received**

- 73.1 Any document or information sent or supplied by the Company or a Member shall be deemed to have been received by the intended recipient:
- 73.1.1 where the document or information is properly addressed and sent by first class post or other delivery service to an address in the United Kingdom, on the day (whether or not it is a working day) following the day (whether or not it is a working day) on which it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 73.1.2 where (without prejudice to article 72.5) the document or information is properly addressed and sent by post or other delivery service to an address outside the United Kingdom, five working days after it was put in the post or given to the delivery agent and, in proving that it was duly sent, it shall be sufficient to prove that the document or information was properly addressed, prepaid and put in the post or duly given to the delivery agent;
- 73.1.3 where the document or information is not sent by post or other delivery service but delivered personally or left at the intended recipient's address, on the day (whether or not a working day) and time that it was delivered or so left;
- 73.1.4 where the document or information is properly addressed and sent or supplied by electronic means, on the day (whether or not a working day) and time that it was sent and proof that it was sent in accordance with guidance issued by the Institute of Chartered Secretaries and Administrators shall be conclusive evidence that it was sent;

- 73.1.5 where the document or information is sent or supplied by means of a website, when the material was first made available on the website or (if later) when the intended recipient received (or is deemed to have received) notice of the fact that the material was available on the website.

#### **74. Company seals**

- 74.1 Any common seal may only be used by the authority of the Directors.
- 74.2 The Directors may decide by what means and in what form any common seal is to be used.
- 74.3 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.
- 74.4 For the purposes of this article, an authorised person is:
- 74.4.1 any Director of the Company;
- 74.4.2 the company secretary (if any); or
- 74.4.3 any person authorised by the Directors for the purpose of signing documents to which the common seal is applied.

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

- 75.1 Except as provided by law or authorised by the Directors or an ordinary resolution of the Company or pursuant to the provisions of the Investment Agreement, no person is entitled to inspect any of the Company's accounting or other records or documents merely by virtue of being a Member.

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

- 76.1 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.

#### **77. Secretary**

- 77.1 Subject to the Companies Act, the Directors may appoint a company secretary (or two or more persons as joint secretary) for such term, at such remuneration and upon such conditions as the Directors may think fit; and any company secretary (or joint secretary) so appointed may be removed by the Directors. The Directors may also from time to time appoint on such terms as they think fit, and remove, one or more assistant or deputy secretaries.

### ***Directors' Indemnity and Insurance***

#### **78. Indemnity**

Subject to article 78.2 (but without prejudice to any indemnity to which a Relevant Officer is otherwise entitled):

- 78.1.1 a Relevant Officer may be indemnified out of the Company's assets to whatever extent the Directors may determine against:
- (a) any liability incurred by that officer in connection with any negligence, default, breach of duty or breach of trust in relation to the Company or any other Group Company;
- (b) any liability incurred by that Relevant Officer in connection with the activities of the Company or any other Group Company in its capacity as a trustee of an

occupational pension scheme (as defined in section 235(6) of the Companies Act);

- (c) any other liability incurred by that Relevant Officer as an officer of the Company or any other Group Company; and

78.1.2 the Company may, to whatever extent the Directors may determine, provide funds to meet expenditure incurred or to be incurred by a Relevant Officer in defending any criminal or civil proceedings in connection with any alleged negligence, default, breach of duty or breach of trust by him in relation to the Company or any other Group Company, or any investigation, or action proposed to be taken, by a regulatory authority in that connection, or for the purposes of an application for relief, or in order to enable a Director to avoid incurring such expenditure.

78.2 This article does not authorise any indemnity that would be prohibited or rendered void by any provision of the Companies Act or by any other provision of law.

## **79. Insurance**

79.1 The Directors may decide to purchase and maintain insurance, at the expense of the Company, for the benefit of any Relevant Officer in respect of any relevant loss.

79.2 In this article, a “**relevant loss**” means any loss or liability which has been or may be incurred by a Relevant Officer in connection with that Relevant Officer’s duties or powers in relation to the Company, any other Group Company or any pension fund or employees’ share scheme of the Company or of any other Group Company.